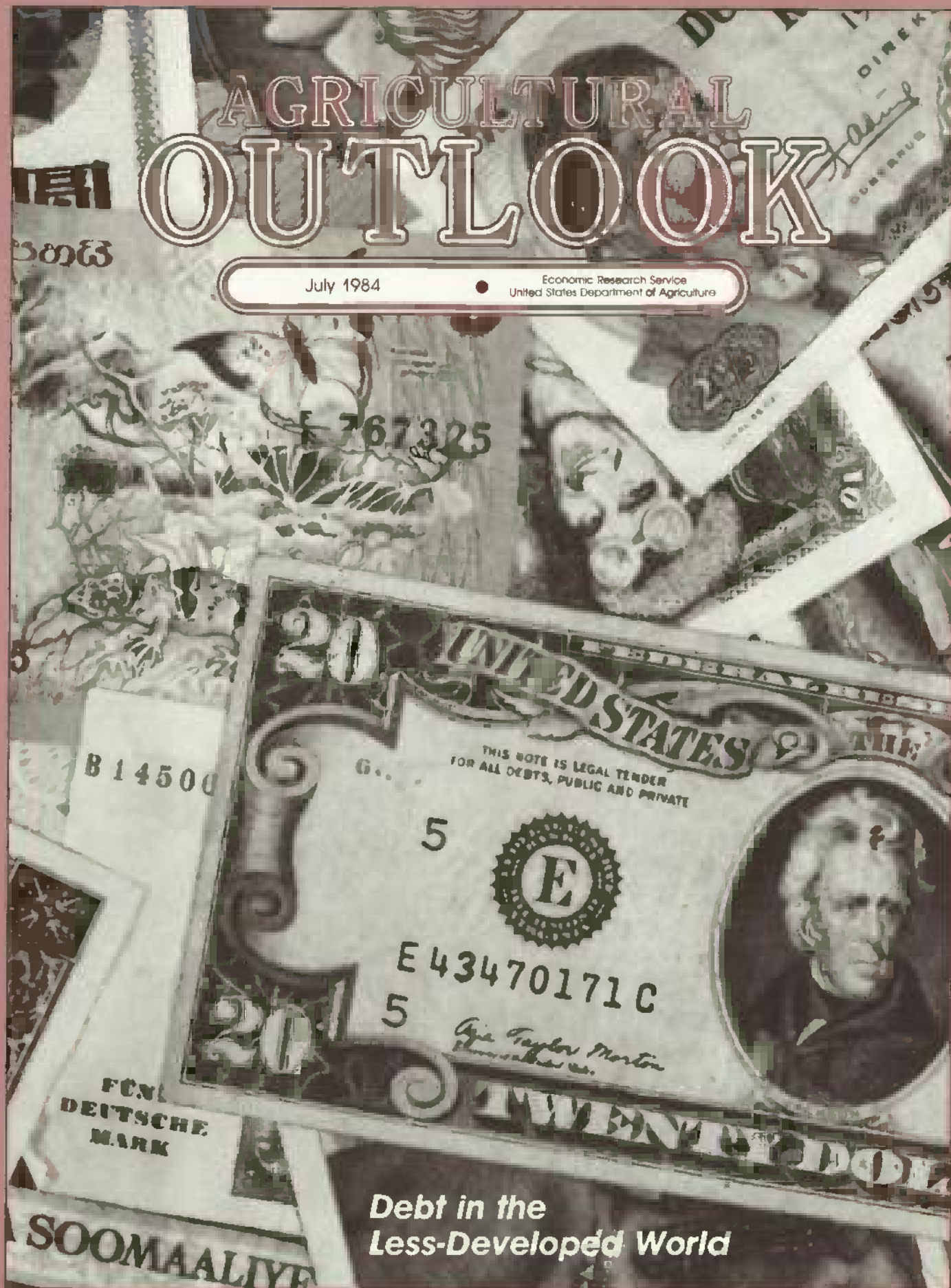


# AGRICULTURAL OUTLOOK

July 1984

Economic Research Service  
United States Department of Agriculture



**Debt in the  
Less-Developed World**

# AGRICULTURAL OUTLOOK

July 1984/AO-100



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**Economics Editor**  
W. Keith Scearce (202) 447-7383

**Assistant Economics Editor**  
Herb Moses (202) 447-7383

**Managing Editor**  
Sherrie M. Biernacki (202) 382-9755

**Editorial Staff**  
Shirley Hammond

**Statistical Coordinator**  
Ann Duncan (202) 447-7383

**Production Staff**  
Deborah Perrell; Carrie Thompkins;  
Sandra Norris; Susan DeGeorge

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### For more information, contact:

Commodity Highlights—Don Seaborg  
(202) 447-8376

Farm Income—Jim Johnson and  
Gary Lucier  
(202) 447-2317

Food Prices—Ralph Parlett  
(202) 447-8801

General Economy—Paul Sundell  
(202) 447-8666

Marketing Costs—Dave Harvey  
(202) 447-8860, or Denis Dunham  
(202) 447-8801

Transportation—T. Q. Hutchinson  
(202) 447-8666

World Agriculture and Trade—  
John Dunmore (202) 382-9818,  
Tom Warden (202) 447-4863,  
or Patricia Haslach (202) 447-8840

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## In Brief . . . News of Farm Income, World Grain Crops, and Third World Debt

**Demand for agricultural products** is receiving a boost from increases in disposable income. Real disposable income is forecast to climb about 6 percent. Real food and beverage expenditures are expected to rise about 1.6 percent, giving farm-level demand its biggest boost in 5 years. While demand has been pulling the farm sector out of the recession, higher interest rates could dampen the recovery.

**U.S. farm exports** are forecast at \$38 billion this fiscal year, up 6 percent from fiscal 1983. Volume is expected to be down, but value will increase due to higher prices for feed grains, oilseeds, and cotton. U.S. exports are still likely to remain at a competitive disadvantage because of the strength of the dollar against other currencies.

**Growth in the world economy** is expected to be around 4 percent in 1984, up from the 2-percent rate of 1983. This should have a positive effect on U.S. agricultural trade.

**Production expenditures for 1984** will likely rise 6 to 8 percent from the \$136 billion estimated for 1983. Increases in the use of inputs and their prices are primarily responsible for the rise. Prices farmers pay for inputs are expected to rise with the projected rate of inflation.

**Beef production** is expected to drop in the second half of 1984. Because of continued high feed costs, pork production should not increase until after the 1984 corn crop is harvested. On the other hand, broiler production will be up from last year, because reduced pork supplies have strengthened broiler prices and encouraged expansion. Poultry prices are expected to remain strong. Beef and pork prices should also be higher as increased disposable income boosts overall meat demand.

**U.S. wheat growers** are hoping for another big surge in livestock feeding this year to moderate the expected



large wheat carryover. Last year, most wheat feeding was during June-September. This summer, abundant wheat supplies and tight feed grain stocks should encourage continued feeding. Feed use now accounts for about 15 percent of total wheat use, up from less than 3 percent in 1980/81.

**Global wheat and coarse grain production in 1984/85** is forecast at a record high 1.294 million tons, around 115 million above last year. Domestic wheat and coarse grain crops are expected to rebound by about 75 percent from last year's drought-reduced levels. Grain production outside the United States will likely increase about 11 million tons to an alltime high. Larger production is forecast to result in record global grain use in 1984/85, despite a decline in carryin stocks.

**Net farm income in 1983** is currently expected to total \$15 to \$17 billion, down from earlier forecasts of \$20 to \$22 billion and 1982's \$22.1 billion. The downward adjustment reflects recent information on 1983 crop and livestock sales, the distribution of PIK commodities, and the substantial draw-down in crop inventories. Net cash income in 1983 is expected to total a record-high \$39 to \$41 billion, compared with 1982's \$36.3 billion. Net farm income in 1984 is still forecast to be a record \$30 to \$34 billion, while net cash income is forecast down slightly from 1983.

**Food prices for the first half of 1984** averaged about 4 percent above a year earlier. Much of this increase was caused by the severe cold weather in January and February. Once the weather improved, markets returned to normal and prices moderated. As a result, prices are expected to rise only 4 to 6 percent for the year. Much of the increase will result from reduced red meat supplies in the second half.

**Railroads have become highly concentrated in the past decade.** Six giant rail holding companies accounted for 85 percent of rail revenue in 1981. Debate continues on the effect of railroad mergers on competition. Also of concern is the possible acquisition of a barge line by a large rail company and its effect on the transportation system.

**Less-developed countries** are growing markets for U.S. agricultural products, but many of them face mounting debt problems. Much short-term debt accumulated during 1980-82 as countries needed to finance petroleum imports. Latin America is the world's largest foreign debtholder. Debt service obligations for many countries have risen faster than the ability to pay, and in some countries, the amount owed exceeds total export earnings. Whether debt problems will continue to grow is a major concern for U.S. agriculture.





## Agricultural Economy

The recovery of the farm economy from last year's drought-reduced out-turn will continue through 1984. Stronger demand, Government programs, and continued moderation of production cost increases will benefit the agricultural sector. However, if interest rates continue to rise, economic growth may slow further by yearend and into 1985, reducing demand growth for farm products and increasing production costs. Export demand for fiscal 1984 has brightened somewhat. Crop prices are higher for most commodities, but if crop production exceeds use, prices will likely average lower in 1984/85.

### *Demand for Agricultural Products Expands*

Demand for U.S. agricultural products is receiving a boost from increases in disposable income. Real disposable income in 1984 is expected to reach \$1,161.6 billion—a 6-percent increase from a year ago. Real food and beverage expenditures are expected to total \$194 billion, 1.6 percent more than a year earlier. However, not all of this increase will go to the farm level, as a large portion goes to restaurants and other marketing services. Nevertheless, farm-level demand could receive the largest boost in 5 years.

Crop	Base	Base enrolled	Conservation use acreage
Million acres, 1982			
Feed grains . . . . .	119.8	38.2	3.3
Wheat . . . . .	90.7	43.8	5.8
Rice . . . . .	4.0	3.1	0.4
Cotton . . . . .	15.3	11.9	1.6
Total . . . . .	229.8	97.0	11.1
Million acres, 1983			
Feed grains . . . . .	120.1	90.6	35.6
Wheat . . . . .	90.9	78.9	29.2
Rice . . . . .	4.0	3.9	1.8
Cotton . . . . .	15.4	14.6	6.7
Total . . . . .	230.4	188.0	73.3
Million acres, 1984			
Feed grains . . . . .	121.4	59.5	5.6
Wheat . . . . .	93.9	57.0	20.8
Rice . . . . .	4.2	3.6	0.9
Cotton . . . . .	15.6	11.1	2.8
Total . . . . .	235.1	131.2	30.1

Interest rates are again increasing. By the end of the first quarter, the prime rate rose to 11.5 percent. Recently, the prime reached 13 percent. This increase reflects growth in private-sector income, credit demand, and Federal deficits. Growth in economic activity will likely moderate in late 1984 and 1985 if monetary policy tightens. The average prime rate for 1984 is estimated at 12.4 percent, 1.6 percentage points above 1983. However, inflation (as measured by the GNP implicit price deflator) should remain near last year's 4.3 percent.

U.S. farm exports are forecast at \$38 billion for fiscal 1984, 9 percent above a year ago. Although volume is expected to be down 3 million tons from last year's 145 million, higher prices for feed grains, oilseeds, and cotton should more than offset the drop in volume. Agricultural imports are placed at \$17.5 billion, so the trade surplus, at \$20.5 billion, should be up 11 percent from fiscal 1983. The dollar is expected to remain strong through fiscal 1984 because of U.S. economic growth and higher real rates of return on dollar investments.

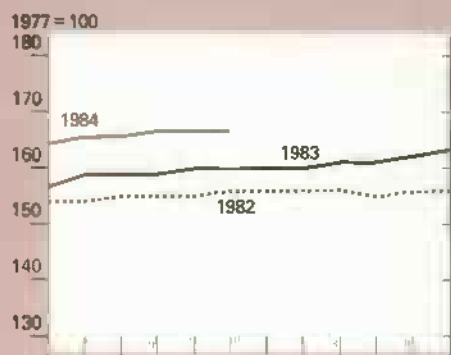
Growth in the world economy continues to improve and is expected to be 4 percent in 1984, up from a 2-percent rate of a year ago. Accompanying world economic growth will be a rise in trade volume and lower inflation than in the late 1970's.

The exports of the developing countries should increase because of recovery in the industrialized nations. Increased exports should mitigate many of these countries' debt problems, but financial constraints and reduced credit will likely limit their agricultural imports this year. Weak spots in world economic growth are unemployment in Europe, potential inflation problems in the industrialized countries, and continued debt problems of developing countries, especially in Latin America.

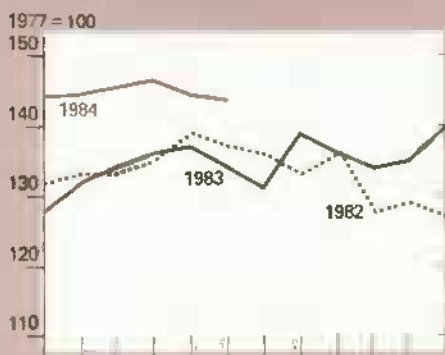
Despite year-to-year demand fluctuations, less-developed countries are a growing market for U.S. exports. As their foreign exchange constraints are reduced, even greater growth is expected. Their purchases have averaged 33 percent of U.S. farm exports since

# Prime Indicators of the Agricultural Economy

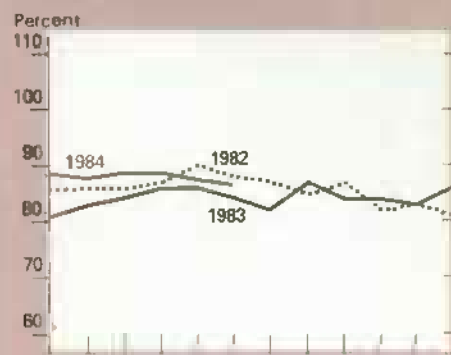
Prices paid by farmers<sup>1</sup>



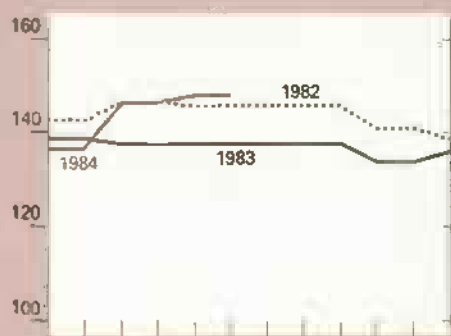
Prices received by farmers<sup>2</sup>



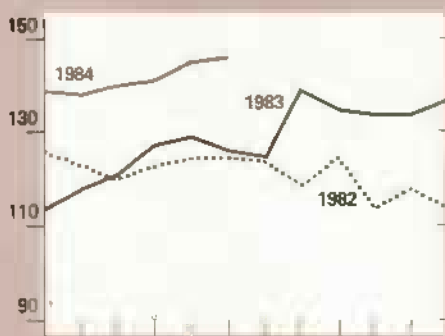
Ratio of prices received to prices paid



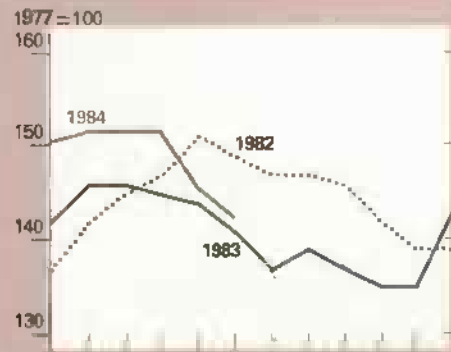
Fertilizer prices



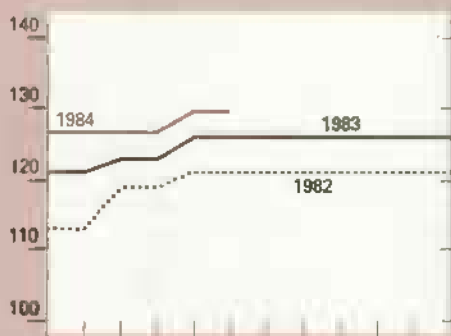
All crops



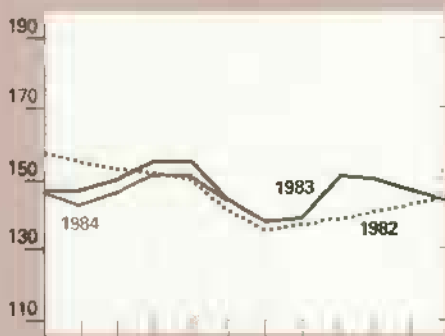
Livestock and products



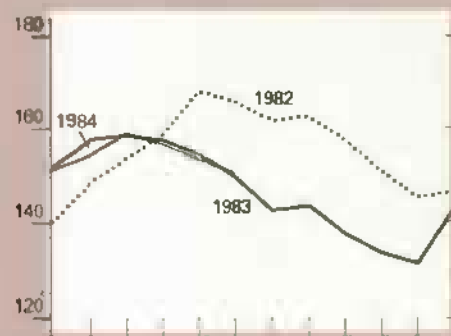
Agricultural chemicals



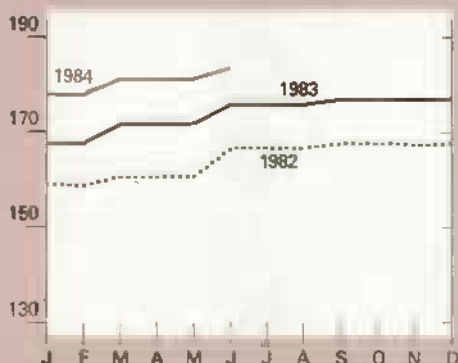
Food grains



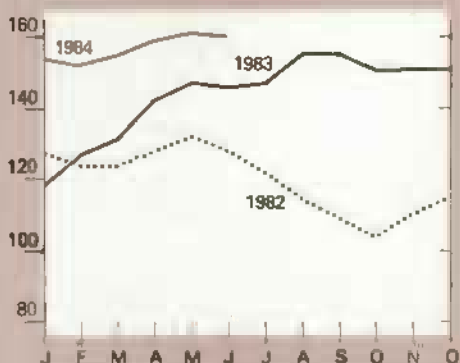
Meat animals



Tractors and self-propelled machinery



Feed grains and hay



Dairy products



<sup>1</sup>For commodities and services, interest, taxes, and wages

All series except "Ratio of Prices Received to Prices Paid" are indexes based on 1977=100.

<sup>2</sup>For all farm products

1976, and in 1983, they purchased \$13.9 billion or 40 percent. Factors contributing to this growth are rising per capita income; high population growth rates; rapid urbanization; inadequate domestic production; and domestic food policies, such as those aimed at improving diets by increased imports.

#### **Production of 1984 Crops and Animal Products**

Production of most major U.S. crops should increase from 1983. Early June forecasts suggest that feed grain production will rise 75 percent; soybeans, 32 percent; wheat, 4 percent; rice, 50 percent; and cotton, 47 percent. Wet weather that delayed planting could somewhat reduce crops. Although most were planted before their deadline, late-planted crops will be more susceptible to heat damage during the pollination stage, or to early frost damage. However, given expected use, feed grain and soybean stocks in the coming marketing year should increase from current lows, implying downward pressure on prices.

Early June estimates of the 1984 acreage reduction program suggest that approximately 13 percent of the total base acreage, or 30.1 million acres, will be devoted to conservation use. This compares with 1983's 31 percent and 1982's 5 percent. Input use (including operating loans) will likely increase significantly during 1984, because more land will be in production.

Meat production is expected to decline more than 1 percent in 1984. Although red meat output will likely decrease more than 2 percent, poultry production may increase nearly 2 percent. Both cattle and hog prices will probably be higher than last year's lows because of reduced supplies and increasing consumer incomes. All of the decline in red meat output will occur in the second half, as producers cut production in the face of increased costs. Consequently, broiler output is expanding in response to already higher prices and the anticipation of reduced red meat supplies.

#### **Production Expenditures Rise**

Production expenditures<sup>1</sup> for 1984 will likely rise 6 to 8 percent from the \$136 billion estimated for 1983. This is in

contrast to last year's 3-percent decline. Increases in the use of inputs and their prices are the primary factors responsible for the rise. The prices farmers pay for inputs are expected to rise with the projected rate of inflation. Inflation is not expected to significantly increase production expenses in 1984, while interest rates will add some upward pressures.

The inflation rate (implicit GNP price deflator) for 1984 is forecast at about 4.4 percent, slightly above last year's 4.3 percent. The rising prime rate will tend to increase production expenditures by boosting interest rates for short- and, to a lesser degree, long-term loans.

Net farm income for 1984 is forecast at \$30 to \$34 billion, up significantly from a year earlier. Net farm income measures the income generated from a given year's output. Net cash income, which is a measure of the income farmers receive during the year, is expected to total \$34 to \$38 billion, down slightly from 1983's \$39 to \$41 billion. Thus, it appears that some farmers will continue to have debt-servicing and cash-flow problems in 1984. (Lin Hoffman (202) 447-7340)

### **LIVESTOCK HIGHLIGHTS**

#### **• Cattle**

A higher-than-expected output of beef during the second quarter, together with lower placements of cattle on feed, lends further support to a probable decline in beef production during the second half of 1984. Beef production in the second half is forecast to fall 5 percent from a year earlier and 1 to 2 percent from the first half. Throughout the second quarter, larger quantities of beef moved readily through marketing channels at only slightly lower prices.

Because of the probable drop in beef production, prices for live cattle and retail beef will strengthen moderately during the second half. A decline in pork production will also add price stimulus, but to a lesser extent than had earlier been anticipated because

the June 1 Hogs and Pigs report indicated a larger-than-expected inventory.

The Cattle on Feed reports for April and May indicated decreased production during the fourth quarter. The June report further reinforced expectations: The number of cattle on feed on June 1 in the seven monthly reporting feeding States was fractionally below last year, and the number placed on feed during May was 2 percent lower. Furthermore, during May cattle feeders marketed 4 percent more cattle than a year earlier.

As of June 1, cattle feeding continued at high levels in Texas, Kansas, and California, while Iowa realized a 31-percent decline from a year earlier. With slightly over 2 million head on feed, Texas had nearly three times more cattle on feed than Iowa. For Texas, this was the largest number on feed since December 1978.

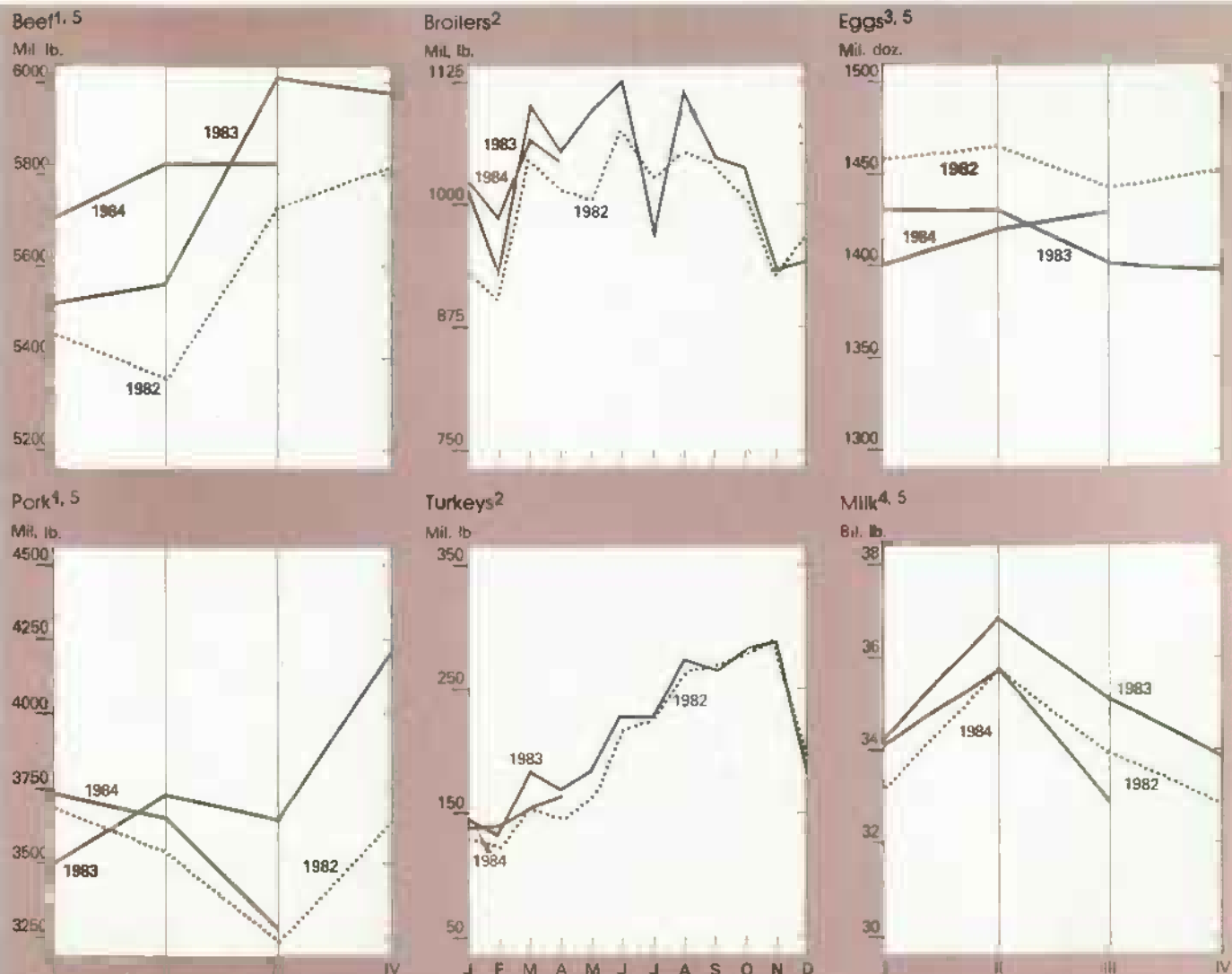
The primary reason behind the increase in Texas cattle feeding is lower feed costs as cattle feeders substituted relatively lower priced wheat for corn. Feeders on the Great Plains face a breakeven cost of about \$70 per cwt for cattle placed in May and marketed in late fall. Meanwhile, Corn Belt feeders need nearly \$72 per cwt to break even.

Scattered rains throughout drought-affected areas of west Texas brought some relief during June. As a result, ranges began to green up. This should lead to a reduction in herd culling and nonfed slaughter. However, cow slaughter still remained high through mid-June, suggesting that producers who are financially squeezed are selling cows to generate cash flow, particularly on mixed crop-livestock operations.

Cattle slaughter continued above a year earlier throughout most of the second quarter, pushing beef production in April and May 7 percent higher than last year. Total beef production for first-half 1984 was about 4 percent more than a year earlier.

Demand for beef remained relatively strong during the second quarter. Retail prices for Choice beef remained in the low to mid-\$2.40 range, even

<sup>1</sup>Production expenditures include cash and non-cash items. The largest noncash item is depreciation. Cash production costs will likely rise slightly more than noncash costs. However, the average interest rate on farm debt will rise somewhat less because of different maturity distributions.



<sup>1</sup> Commercial production. <sup>2</sup> Federally inspected slaughter, certified. <sup>3</sup> Farm production; marketing year beginning Dec. 1. <sup>4</sup> Total production. <sup>5</sup> Forecast for latest quarter.

though beef and total red meat production increased significantly from year-earlier and April 1984 levels.

Choice steer prices mostly stayed between \$64 and \$66 as fed and nonfed slaughter rose. Concerns over even lower Choice steer prices provided incentive for cattle feeders to keep marketing current through April and May.

Generally, an increase in beef production combined with increased output of competing meats would suggest a decline in the price of beef. However, prices remained relatively strong as to-

tal production of red meat during January-May increased 5 percent from a year earlier. To some extent, increased disposable income and higher employment helped to support prices. [John Nalivka (202) 447-8636]

## •Hogs

The June *Hogs and Pigs* report indicates that the U.S. breeding herd on June 1 was well below a year ago but about the same as last December. Furthermore, producers are planning to reduce the number of sows farrowing by 9 percent in second-half 1984. Because of rising feeding costs, producers are not likely to expand the breeding herd until the 1984 corn crop is harvested.

Hog prices at the seven major markets averaged \$49 per cwt in first-half 1984, with prices in most months averaging in the high \$40's. Meanwhile, farm prices for corn averaged \$3.25 a bushel, up nearly 50 cents from a year earlier and adding over \$3 per cwt to farrow-to-finish production costs. Corn prices are not expected to drop substantially until the fall.

Favorable wheat prices have induced higher wheat feeding in the livestock sector. However, although wheat may be completely substituted for corn in hog rations, most of the wheat production is located outside of the leading hog-producing States.



The U.S. inventory of all hogs and pigs was estimated at 52 million head on June 1, 1984, down 9 percent from a year ago. Meanwhile, the breeding herd totaled 7.34 million head, down 9 percent from last year. The market hog inventory, at 44.7 million head, was 9 percent below last year.

The number of sows farrowed during December-May totaled 5.56 million head, down 11 percent from last year and 6 percent from the farrowing intentions reported last December. The number of pigs per litter, at 7.46, was down from the record-high 7.52 of a year ago. Last year's good weather during the winter and spring contributed to the record number of pigs per litter. The December 1983-May 1984 pig crop totaled 41.5 million head, down 11 percent from a year earlier.

Based on the inventory of market hogs weighing 60 to 179 pounds, commercial hog slaughter is forecast at 18.9 million head this summer, down 12 percent from last year. Based on year-over-year comparisons, hog slaughter is expected to decline by a larger percentage rate than the inventory change because producers were liquidating the breeding herd last summer. However, this summer the breeding herd is expected to remain relatively stable, with some possible gilt retention in September.

Slaughter this fall is estimated at 21.5 million head, down 12 percent. Fall hog slaughter is drawn from the inventory of market hogs under 60 pounds on June 1, which is composed largely of the March-May pig crop.

Hog prices at the seven major markets are expected to average \$54 to \$58 per cwt this summer, compared with \$47 last year. Prices will likely peak in August, and then decline seasonally in September. Prices are projected to average \$53 to \$57 per cwt this fall, compared with \$42 last year. Reduced beef production and increases in disposable personal income will help strengthen pork demand. On the other hand, large frozen stocks and moderately increasing broiler supplies may hold down retail pork prices. [Leland W. Southard (202) 447-8636]

#### ●Broilers

Integrated broiler operations are continuing the expansion of eggs set and chicks placed that started in April. The economic turnaround has helped strengthen broiler prices, leading to an expected increase in output. In addition, the reduction in pork supplies likely during second-half 1984 has encouraged broiler expansion.

During the second quarter, production of broiler meat in federally inspected plants was likely 1 to 2 percent above the 3,276 million pounds of a year earlier. Production was probably above a year earlier in May and June, offsetting a decline in April. Average bird weights increased again this year, further expanding production.

Unless there is unusually hot weather that kills some birds, the increased number of eggs set and chicks placed suggests that third-quarter output may be 3 to 4 percent above last year's 3,155 million pounds.

During April-June, composite prices for broilers in 12 cities averaged 56 cents a pound, up from 47 cents last year. Despite the higher production expected in the third quarter, prices will likely average near last year's 54 cents. Economic recovery and reduced supplies of red meat will keep prices strong. [Allen J. Baker (202) 447-8636]

#### ●Turkeys

During third-quarter 1984, turkey meat output from federally inspected plants is expected to drop 1 percent from the 760 million pounds of a year earlier. Despite expected stronger prices due to the improved economy and smaller red meat supplies, turkey producers have reduced the number of poulters placed for third-quarter slaughter. Current wholesale prices are probably below the cost of production, discouraging increased output.

In May, producers placed 1 percent more turkeys than last year; most of these birds will be slaughtered in the fourth quarter. However, the number of eggs in incubators on June 1 was down 2 percent. Therefore, fourth-quarter slaughter may increase only slightly from a year earlier.

Cold storage stocks of frozen turkey continue to be below a year earlier. On June 1, stocks of whole turkeys were 18 percent below last year, and turkey parts were off 6 percent. Stocks of frozen turkey are beginning their usual increase for fourth-quarter

consumption, but lower production and the high interest costs of holding stocks may limit the buildup.

In May, prices of 8- to 16-pound hen turkeys in New York averaged 67 cents a pound, 10 cents above last year. Prices in the third quarter are expected to average 67 to 71 cents, up from 60 cents last year. With production down slightly and with less red meat, prices are projected to be stronger than in 1983. During the fourth quarter, prices may be slightly higher than last year's 69 cents. [Allen J. Baker (202) 447-8636]

#### ●Eggs

Wholesale egg prices were near to slightly below the estimated cost of production in late June. The negative margins and normal seasonally weak demand for eggs in late spring have encouraged producers to reduce egg production by molting more hens than a year earlier. The number of layers on farms on June 1 was 2 percent above last year.

With hen numbers above last year and more older hens being molted, the rate of lay during the second quarter likely remained near last year. As a result, second-quarter egg production was probably 1 percent above the 1,405 million dozen produced in second-quarter 1983.

Additional pullets will be entering the laying flock and will likely boost output during the remainder of 1984. During second-half 1984, egg output is expected to increase 2 to 4 percent from the 2,817 million dozen produced a year earlier.

During the second quarter, prices of cartoned Grade A large eggs delivered to stores in New York averaged 83 cents a dozen, up from 69 cents last year. Prices in June averaged 71 cents, down sharply from \$1.04 at the start of the quarter. Short supplies and strong Easter demand pushed up prices early in the quarter.

With increased production, prices are expected to average 72 to 76 cents in the third quarter, near last year's 74 cents. Continued production increases in the fourth quarter may weaken egg prices contra-seasonally, so prices may average 68 to 72 cents a dozen, down sharply from 91 cents last year. [Allen J. Baker (202) 447-8636]



### • Dairy

Commercial disappearance of all milk and dairy products (milk-equivalent, fat-solids basis) has been very strong since fourth-quarter 1983. Based on preliminary data, use during January-April was up 2.7 billion pounds, up 6 percent on a daily average basis from a year earlier.

Even if no additional gains in use are posted for the rest of 1984, commercial disappearance would be about 2 percent above last year. However, because of the expected decline in the real price of dairy products, larger real incomes, a growing population, and the national dairy product promotion program, further gains seem likely. On balance, use for all of 1984 is anticipated to increase 2 to 4 percent.

Since November 1983, the average number of milk cows on farms has declined each month. During May, cow numbers were about 10.9 million, 319,000 head (3 percent) below November 1983. While the rate of decrease has slowed since February, more monthly declines seem likely.

Milk output per cow in 1984 is expected to be unchanged to down 1 percent. During January-May, output per cow on a daily average basis was down 0.4 percent. The drop was caused by reduced concentrate feeding and other management changes. On April 1, concentrate feeding per cow was 3 percent below a year earlier.

On balance, milk production in 1984 is projected to be 2.5 to 4.5 percent below 1983. During the past 3 years, production increases have averaged nearly 3 percent a year.

In June, farm prices for milk were below a year earlier because of a lower support price and continued surplus supplies. However, with a better balance between supply and demand, some price strength is expected.

In May, the Bureau of Labor Statistics' retail price index for all dairy products stood at 251.0 (1967=100), up 0.3 percent from May 1983. In contrast, the all-food index was up 3.1 percent. For the year, retail dairy prices will likely rise 0.5 to 2 percent, while the average for all food may be 4 to 6 percent above 1983.

Net USDA purchases (delivery basis) during January-June were 7.1 billion pounds on a milk-equivalent, fat-solids basis, down 4.3 billion (38 percent) from a year earlier. With lower milk production and larger commercial disappearance, total purchases will likely remain below a year earlier.

The downtrend in milk production and the increased commercial use have both contributed to the decline in Government purchases of dairy products. Although the dairy supply-demand imbalance is improving, Government stocks are still high and additional time will be required before the full adjustment is achieved. [Clifford M. Carman (202) 447-8636]

### CROP HIGHLIGHTS

#### • Wheat

U.S. wheat growers are hoping for another big surge in livestock feeding during June-September to moderate the expected gain in carryover stocks this season. Last season, about 390 million bushels of wheat were fed, of which 259 million were fed during June-September. Ample wheat supplies and tight feed grain stocks this summer should allow for feed use of around 375 million bushels, 15 million below last season. Feed use now accounts for about 15 percent of total use, up from less than 3 percent in 1980/81.

U.S. wheat production for 1984/85 is forecast at 2.53 billion bushels, 100 million above 1983/84. Spring wheat will account for about all of the increase. Nearly 21 million acres of the wheat base will likely be in conservation use this year, compared with about 30 million last year and 6 million in 1982.

This season's larger production comes at a time of declining exports. Exports for 1984/85 are forecast at 1.35 billion bushels, 75 million below last season and over 420 million below the record set in 1981/82. Nevertheless, the 1984/85 carryover may rise only slightly to 1.47 billion bushels, because beginning stocks this June 1 were 8 percent smaller than a year earlier.

Because supplies are large relative to use, the farm price will probably average only slightly more than the 1984/85 loan rate of \$3.30 a bushel. The target price is \$4.38 for this season, so wheat growers who participated in the acreage reduction program will likely earn another large deficiency payment.

Note: For an assessment of the global wheat situation see World Agriculture and Trade. [Allen Schienbein (202) 447-8444 and Bradley Karmen (202) 447-8879]

### 1985 WHEAT PROGRAM ANNOUNCED

The 1985 wheat program, announced June 14, includes a 20-percent acreage reduction and a 10-percent paid land diversion. There is no payment-in-kind provision. The cash land diversion payment is \$2.70 a bushel, with 50 percent available at signup. The target price is \$4.38 a bushel, the statutory minimum, and the national average loan rate is \$3.30.

The signup period will be October 15, 1984, through March 1, 1985. To be eligible for program benefits, producers must limit their wheat acreage to no more than 70 percent of the farm's wheat base. Ten percent of the farm's wheat base plus 28.57 percent of its planted wheat acreage must be dedicated to an acreage conservation reserve. The 1985 acreage base is the average of the acreage planted and considered planted to wheat in 1983 and 1984.

Haying will not be permitted on acreage conservation reserve land. However, the acreage may be grazed, except during the 6 principal growing months. Emergency grazing and haying privileges may be granted on a county-by-county basis in the event of a natural disaster.

Offsetting and cross compliance will not apply to the 1985 program. Contracts signed by participants will be binding and will provide for damages for failure to comply with program requirements.

The 1985 programs for cotton, rice, and feed grains will be announced on or before October 1, 1984. [Loreen Forester (202) 447-4943]

### • Rice

As of June 11, rice seeding for the 1984 harvest was 98 percent complete in the five major producing States, slightly ahead of last year. Plants had emerged on 93 percent of the acreage and were in fair to good condition.

Through April 30, farmers had marketed approximately 116 million cwt of rice at an average price of \$8.60 per cwt. Preliminary prices for June, at \$7.98 per cwt, dipped below the loan rate. Deficiency and diversion payments for the 1983 crop are forecast at \$256 million—\$233 million in deficiency payments and \$23 million in diversion payments. Payments through April 30 were made to about 19,000 farms and nearly 32,000 producers.

Total supplies for the current season are estimated at 172 million cwt. Domestic and export disappearance are expected to claim 129 million cwt—62 million in exports—leaving a carryover of 43 million cwt on August 1.

For 1984/85, supplies are forecast to increase modestly, as carryin stocks drop. Production will increase sharply because of a much larger crop than in 1983. Domestic use and exports may match each other for the first time in several years, with both forecast at 62 million cwt. A total disappearance of 133 million cwt (including a residual component) would still leave a substantial carryover at the end of the 1984/85. The forecast price range for the 1984/85 crop is between \$7.75 and \$9.25 per cwt, with a target price of \$11.90 and a loan rate of \$8 per cwt.

The forecast for world rice production in 1983/84 was revised upward in June, reflecting an increase in Indian output. Global production in 1984/85 is expected to increase slightly. World trade both in calendar 1984 and 1985 is forecast to be between 11.5 and 12 million tons, down from the record 13 million in 1981. U.S. exports are still projected at 2 million tons during 1984.

Because of quality problems with current stocks, Japan will need to import substantial quantities of rice this summer before its new crop is harvested. Japan applies bromine, a pesticide, to its stocks, some of which were found to have unacceptable bromine levels. Japan has asked South Korea

to repay part of a 1970 rice loan of 630,000 tons, of which 520,000 are outstanding. As of June 26, South Korea agreed to repay 150,000 more tons of the loan. It is highly unlikely that Japan will import rice commercially. [Barbara C. Stucker (202) 447-8444 and Bradley Karmen (202) 447-8879]

### • Feed Grains

U.S. production prospects for corn in 1984 are 7.93 billion bushels, 2 percent above the May forecast and nearly double the 1983 crop. However, there is concern about excessive rainfall in the western Corn Belt. Estimates for other feed grains are unchanged from last month, thus total U.S. feed grain production for 1984/85 is expected to be 239 million metric tons, 103 million more than last season. However, because of the sharp drawdown in stocks this season, forecast supplies are only 31 million tons above 1983/84.

The projected corn crop and estimated beginning stocks of 512 million bushels—the lowest since 1976—place the 1984/85 corn supply at 8.44 billion bushels, 1.15 billion above last season. Use is expected to rise 6 percent to 7.2 billion bushels, leaving 1.24 billion bushels in carryover stocks on October 1, 1985. This suggests lower farm prices than the \$3.25 average estimated for 1983/84. The season-average price will likely be between \$2.60 and \$3.05 a bushel, compared with the \$2.55 loan rate.

Because stocks are tight, corn prices will be sensitive to any changes in production prospects. Of the 520 million bushels expected to be carried over from this season, only 337 million will likely be privately owned (including grain in the farmer-owned reserve). Because the balance would be owned by the Commodity Credit Corporation, prices would have to rise to around \$3.85 a bushel before this corn could be sold. Privately owned stocks could be just over 4 percent of forecast production, so prospects for even a modest shortfall could significantly affect corn prices.

Note: For an assessment of the global feed grain situation see World Agriculture and Trade. [Larry Van Meir (202) 447-8776 and Jim Cole (202) 447-8857]

### • Oilseeds

Soybean prices at central Illinois averaged \$8.43 a bushel in May, but they plummeted to \$7.45 by June 11. The season-average price is forecast at \$7.90 a bushel. This increased volatility for soybean and product prices is characteristic of tight supplies.

The soybean crush is projected at 970 million bushels for 1983/84. Crushing surged to almost 86 million bushels in March, but retreated to a season low of 75 million in April. Prices in the soybean oil market averaged more than 40 cents a pound in May, but they fell to the mid-30's by June 11. The season-average price for oil is forecast at 33 cents a pound, implying prices will average about 38 cents for the rest of 1983/84.

Soybean meal prices were flat in April and May, averaging \$188 a ton both months. Prices softened to the low \$170's a ton in early June, but rebounded to around \$180 by late June. The season-average price is projected at \$200 a ton. Soybean meal prices should average near \$190 from June through September, as the soybean crush drops more than the normal seasonal level.

In June, world oilseed production for 1984/85 was forecast to rise 10 percent from 1983/84's 165.5-million-ton estimate. The production forecast was raised slightly, primarily because of improved prospects for the Argentine crop.

Brazil's export policies during the 1983/84 marketing year imposed temporary restrictions on export registrations of soybeans and soybean oil. Currently, soybean meal has no restrictions for export, but the pace of exports has been slow. Brazil's domestic needs for soybean oil, as well as the Government's desire to keep domestic prices below world levels, are prompting these restrictions. For 1983/84, Brazil's soybean exports are estimated at 1.3 million tons, slightly below a year earlier. Soybean meal exports may drop nearly 8 percent, and soybean oil shipments may decline 14 percent.

Argentine soybean exports for 1983/84 are now forecast at 2.4 million tons, 70 percent more than last year, but 400,000 tons below May's estimate. However, the soybean meal export forecast was raised to 2.1 million tons, 36 percent above last year. Exports of

# Commodity Market Prices: Monthly Update

Choice steers<sup>1</sup>

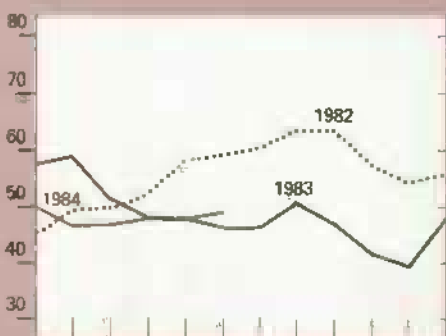
\$/cwt.



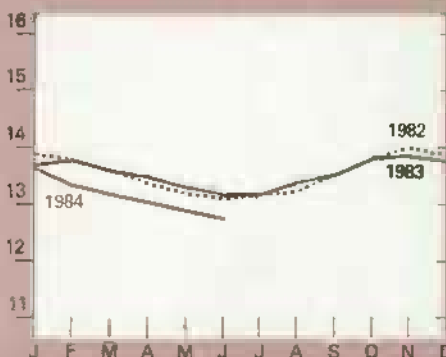
Choice feeder cattle<sup>2</sup>



Barrows and gilts<sup>3</sup>



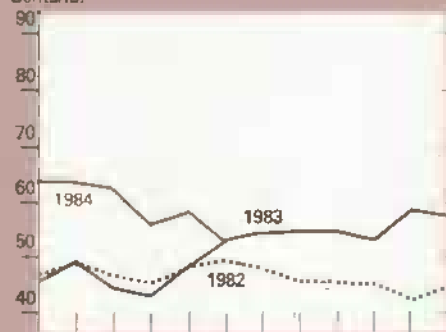
All milk



Prices for most recent month are mid-month prices.  
<sup>1</sup>Omaha 2600-700 lbs, Kansas City. <sup>3</sup>7 markets

Broilers<sup>4</sup>

Cents/lb.



Eggs<sup>5</sup>

Cents/doz



Rice (rough)

\$/cwt.



Sorghum grain



<sup>4</sup>Wholesale, New York. <sup>5</sup>Grade A Large, New York.

Corn<sup>6</sup>

\$/bu.



Soybeans<sup>7</sup>

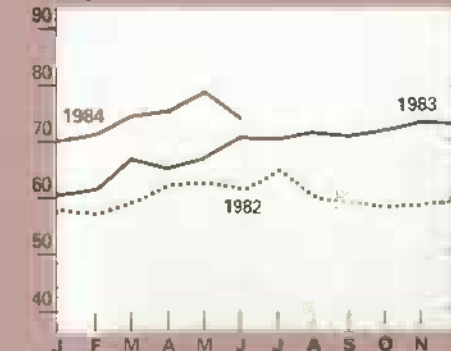


Wheat<sup>8</sup>



Cotton<sup>9</sup>

Cents/lb.



<sup>6</sup>No. 2 Yellow, Chicago. <sup>7</sup>No. 1 Yellow, Chicago.  
<sup>8</sup>No. 1 HRW, Kansas City.  
<sup>9</sup>Average spot market, SLM, 1-16."



soybean oil, forecast at 0.4 million tons, are expected to exceed 1982/83 by more than 50 percent.

Forecasts for U.S. exports of soybeans and products were unchanged in June. U.S. soybean exports are forecast at 20.7 million tons (760 million bushels); soybean meal, 4.9 million; and soybean oil, 0.7 million. Shipments of soybean meal to the European Community (EC) are expected to be lower than last year, but those to Latin America (excluding Mexico) will be somewhat higher.

For 1984/85, demand may improve in the soybean meal sector. For the EC, soybean meal use is anticipated to be up from 1983/84's depressed level. The soybean meal/corn price ratio should again favor meal feeding. But the gains will be below the 1979/80 peak, at least partially because a new dairy supply control program in the Community will promote less concentrate feeding.

Soviet demand for 1984/85 will be a major factor in world markets. Despite the slow pace of Soviet soybean imports in 1983/84, some increase is expected next year. Continued improvement of the protein content in animal rations is anticipated.

World vegetable oil supplies in 1984/85 will improve from the present, but stocks will remain relatively tight. However, if Malaysian palm oil production and the U.S. soybean oil output fall below current expectations, supplies will be very tight and prices higher. Nevertheless, current Malaysian production points to a strong recovery in the palm oil outturn. U.S. soybean oil consumption is expected to gain 3 percent, while U.S. soybean oil exports should be about the same as this year. (Roger Hoskin (202) 447-8776 and Jan Lipson (202) 447-8855)

#### • Cotton

Estimates of U.S. cotton supply and use for this season and next are unchanged from the May numbers. Ending stocks, which are expected to hit 2.9 million bales this season, are forecast to increase to only 3.2 million during 1984/85.

Production in 1984 is forecast at 11.5 million bales. Mill use may reach 5.9

million bales this season, but could decline to 5.7 million during 1984/85.

Moisture and temperature conditions in most of the Cotton Belt were adequate during May and early June, however, about 300,000 acres in the Rolling Plains of Texas remain too dry for planting. U.S. yields could match or exceed the 1979-83 average of 515 pounds.

July futures contracts reached 86 cents a pound, and December's closed above 78 cents on May 29—before rain fell on the High Plains. On June 22, July contracts closed below 78 cents, and December's fell below 73 cents. December 1984 contracts are lower now than during much of last summer and fall.

World cotton production is expected to reach a record 73.3 million bales in 1984/85, up 8 percent from this year's below-trend crop. Most of the gain is due to improved prospects in the United States, but foreign production is also expected to rise almost 2 million bales on the strength of recoveries in Pakistan, Mexico, and other major producers. Chinese production is projected to remain high.

Global mill use is also expected to hit a record—70.5 million bales, up 3 percent from this year. Improved economic conditions and increased cotton supplies should make textile production more attractive. Nevertheless, much of the consumption gain is expected to occur in countries that are also major producers, such as Pakistan. These countries will likely satisfy demand out of their own supplies, hence world trade is not expected to increase significantly. Instead, the relative market shares of exporting countries will likely shift, while total trade remains level.

U.S. exports are projected to decline to 5.5 million bales in 1984/85, representing a more normal trade share of 29 percent, after this year's unusual 37 percent. The U.S. export estimate for 1983/84 is unchanged at 7 million bales.

World stocks are sharply below the May estimate, because newly available estimates of Chinese consumption since 1971/72 have changed calculations. This season's global ending stocks are now placed at 25.4 million bales, down nearly 2 million from the previous estimate.

World ending stocks in 1984/85 are now estimated at 28 million bales, 1.5 million below the May figure. Nevertheless, foreign stocks are still forecast to increase more than 2 million bales during the course of next year. (Terry Townsend (202) 447-8444 and Donnel O'Flynn (202) 382-9820)

#### • Tobacco

Total disappearance of U.S. tobacco may decline about 3 percent this season because of lower domestic use and exports. Still, use will exceed 1983/84 marketings, so stocks carried over into the new marketing year (beginning July 1 for flue-cured and October 1 for burley and other kinds) will likely decline about 3 percent from last year's 3.82 billion pounds.

Supplies are expected to remain stable during the next marketing year because an anticipated rise in the 1984 crop may about offset the drop in beginning stocks. If acreage is near producers' planting intentions and yields are normal, marketings will be about a tenth above 1983's 1.51 billion pounds. With a larger crop and price support levels likely unchanged, auction prices may change little.

Domestic use could decline further because of a slowdown in cigarette sales and increased tobacco imports. Tobacco exports may rise a little, but large foreign supplies, high prices, and the strong U.S. dollar will continue to inhibit shipments.

Plantings point to 3 percent less flue-cured acreage than last year. Average growing conditions and acreage near growers' intentions would produce a crop between 800 and 850 million pounds, with around 830 million most likely. Therefore, total flue-cured supplies for 1984/85 could drop about 80 million pounds, or around 3 percent. With weak demand prospects for 1984/85, loan receipts could again be large.

Burley growers may have planted 9 percent more acres in 1984. With average yields, burley production could be 25 to 35 percent larger than 1983 marketings.

During 1983/84, Americans likely consumed 3 percent fewer cigarettes than last year's 620 billion. Per capita use was down even more because the adult population was larger. The reduced consumption was partly due to higher prices that resulted from increased Federal and State excise taxes. U.S. manufacturers shipped about 1 percent fewer cigarettes for domestic use during July 1983-March 1984 than they did a year earlier. Domestic cigarette use may be a little lower this coming July-December, compared with a year earlier.

Total cigarette output in 1983/84 is estimated at 660 billion, about 3 percent fewer than last year. Through March, U.S. cigarette exports were down 15 percent from a year earlier.  
[Verner N. Grise (202) 447-8776]

#### •Fruit

Consumers will see significantly larger supplies of fresh summer fruit this year. If June 1 forecasts are realized, this summer's production of early harvested noncitrus fruit (excluding dried prunes) will be almost 20 percent above last season. The apricot, peach, and California plum crops are all larger than last year. Nonetheless, supplies will probably not be enough to cause widespread price breaks this year, because demand is good and stocks of most canned fruit are low. These factors, combined with sharply reduced citrus supplies, will likely keep fruit prices higher than a year earlier.

Total U.S. peach production is forecast at 2.53 billion pounds, 41 percent more than last year's crop. Excluding California Clingstones, the U.S. peach crop is expected to be 1.6 billion pounds, 35 percent larger. The nine Southern States will likely produce 758 million pounds, two and a half times as much as the small 1983 crop. The California Freestone crop, at 440 million pounds, may be up 1 percent from a year ago. The Clingstone crop, at 950 million pounds, is projected up 53 percent from 1983.

Because of the larger crops, peach shipments through mid-June were running significantly ahead of last year's pace. F.o.b. prices at shipping points were mixed in mid-June, but they are expected to fall from a year earlier.

California plum production is forecast at a record-high 200,000 tons, up 33 percent from 1983 and 6 percent more than the 1981 record. Despite a record crop, opening f.o.b. prices were considerably higher than a year earlier, but they are declining with increasing volume. With the larger crop and adequate supplies of other summer fruit, prices are expected to average below last year.

The first forecast of the 1984 apricot crop is for 124,000 tons, 30 percent more than last year. California's crop is forecast at 120,000 tons, 32 percent larger than last season. A small amount of the crop was harvested in late May for the fresh market only. Most of it, as usual, will be processed. Washington is expecting an excellent crop, but the Utah outturn suffered considerable damage from a spring frost.

The California nectarine crop is forecast at 170,000 tons, 9 percent less than last year and 4 percent below 1982. The crop is developing nicely, with good size and quality. Despite a smaller crop, shipments are running well ahead of last year's pace. Early season f.o.b. prices were moderately to substantially above last year but have declined to levels slightly below a year ago. Prices probably won't average appreciably higher than last year because of adequate supplies of competing fruits. [Ben Huang (202) 447-7290]

#### •Vegetables

Grower prices for all vegetables in second-quarter 1984 were at least 20 percent lower than the first quarter because of continuing good weather in the major producing States. Grower prices for fresh carrots and onions raised in areas affected by severe winter weather began declining during May, but second-quarter average prices were higher than a year earlier.

Celery prices dropped in June and will average lower in July than a year earlier. Sweet corn prices in June, reflecting lower shipments from Southeastern States, were \$12.10 per cwt, 10 percent higher than last June. Tomato and lettuce prices will exhibit seasonal hikes as harvest areas move northward. Grower prices for potatoes,

sweetpotatoes, and dry edible beans continued to show strength in the latter part of the second quarter and will continue strong in July.

Because of cool, wet weather in the Northern States, celery development is slightly behind schedule, but warm June weather has returned production to normal. As of June 1, the total celery acreage in California and Michigan was 4 percent greater than a year earlier, and above-normal yields will hold down prices.

Spring potato acreage is estimated at 84,700, 9 percent higher than last year's 77,400. A 16-percent improvement in average yields will produce 2.32 billion pounds—27 percent greater than 1983, ameliorating currently tight stocks of fall potatoes.

Nearly normal spring onion yields in Arizona and California will offset the effects of a weather-damaged Texas crop. Total spring onion production in the three States is estimated at 673 million pounds, slightly greater than last year, but 6 percent below 1982.

Canners' stocks of most vegetables on April 1 were lower than a year earlier. Cool, wet weather in the Midwest delayed planting of processing vegetables, and prices for newly packed vegetables are expected to be at current levels. [John Love (202) 447-7290]

#### • Sugar

World sugar production in 1984/85 is projected around 99.8 million metric tons, raw value, up 5 percent from this season. Sugarcane area may be only slightly larger and sugarbeet area unchanged, but growing conditions have improved since 1983/84. Global use is expected to total about 97 million tons, up less than 2 percent. Therefore, stocks are projected to expand about 2.5 million tons, holding down prices.

The world price of raw sugar (f.o.b. Caribbean) weakened to 5.6 cents a pound in May, from 7 cents in January. Prices are expected to stay around 5 to 7 cents a pound through early 1985. Prices averaged 8.5 cents in 1983.

The price of raw sugar in the U.S. market (c.i.f. New York, duty/fee-paid) has been stable at 22 cents a pound since mid-February. Sugar supply and

use estimates suggest steady prices through the end of this fiscal year. U.S. sugar stocks on September 30 are forecast at 1.4 million tons, about the same as in fiscal 1983. However, sugar use has dropped, so the stocks-to-consumption ratio will be somewhat above that in fiscal 1983.

May's wholesale list prices for refined sugar were unchanged from April, ranging from 29.6 to 32 cents a pound, depending on the market area. The U.S. average retail price in May was 36.7 cents a pound, up only marginally from April.

U.S. sugarbeet acreage for harvest in 1984/85 is estimated to rise 2 to 4 percent from 1983/84. Sugarcane area will likely fall 2 to 4 percent, mainly because of damage to the stubble (ratoon) crop in Louisiana. U.S. sugar output is projected between 5.5 and 6.1 million short tons, depending on yields and sucrose recovery. The 1983/84 crop was estimated at 5.6 million tons.

With more disposable personal income, demand for sweetened food and beverages is expected to rise, but overall sugar use will continue to decline. Domestic sugar deliveries for bakery and confectionery uses during first-quarter 1984 increased more than 10 percent; however, deliveries for beverage use fell more than 23 percent, reflecting continued substitution of high fructose corn sirup (HFCS).

While consumption of all caloric sweeteners is expected to increase one-half pound to 125 pounds per person, per capita consumption of sugar itself (including imported blends and mixtures) is estimated to fall 3.4 pounds from last year. Sugar use would then fall to about 54 percent of all caloric sweetener use, from 67 percent in 1980 and 76 percent in 1975.

HFCS prices have been steady in May, after strengthening in April. In Chicago-West, HFCS-55 averaged 23 cents a pound (dry basis) unchanged since April. The discount to sugar held at 23 percent in April and May, down from 24 percent in first-quarter 1984. [Robert Barry (202) 447-7290]



## Farm Income Update

During February-March, USDA annually obtains agricultural production expenses and income information. Survey results are summarized, analyzed, and in conjunction with other data sources, are used to arrive at the first estimate of net farm and net cash income.

A preliminary compilation of survey results for 1983 indicates that the first estimates of these income measures will be below the previous forecast ranges. Lower cash receipts and record negative inventory changes—a result of the unprecedented decline in 1983-crop production—likely put 1983 net farm income at \$15 to \$17 billion, down from the \$20 to \$22 billion previously forecast. Net farm income measures the income generated from a given year's output.

While net farm income likely fell last year, net cash income, which is a measure of the income farmers actually received, likely rose to \$39 to \$41 billion—a new nominal high. However,

this is still lower than the previous forecast of \$41 to \$43 billion.

Recently compiled data for 1983 production expenses indicate that estimated expenses will fall within the \$135 to \$137 billion forecast range. Reductions in expenses were realized for every major category except feed, electricity, real estate interest, and property taxes. Total Government payments (cash plus PIK payments) likely totaled \$8 to \$10 billion, with about half of the total 1983-crop PIK payments being disbursed during the calendar year.

Cash receipts for 1983 will likely range between \$138 and \$140 billion, down from the earlier forecast of \$142 to \$144 billion. The decline from the earlier forecast will be about evenly distributed between crop and livestock receipts, with crop receipts totaling \$69 to \$71 billion and livestock \$68 to \$70 billion.

Based on data from USDA's livestock disposition reports, especially the *Meat Animals* report, it appears that earlier forecasts of cattle and calf marketings were too strong. The current estimate for crop cash receipts will also be below the earlier forecast because of the cumulative effect of small forecast errors for many of the major commodities.

The value of the 1983 inventory change will reach a record level of minus \$11 to \$13 billion. Nearly three-fourths of this inventory adjustment is due to corn and cotton. Corn production decreased 49 percent in 1983, and cotton production fell 35 percent.

The 1983 farm income statistics are still only preliminary, although current analyses support the necessity of the downward revisions. The first point estimate of 1983 farm income will be released in the August issue of *Agricultural Outlook*. That report will contain a more detailed discussion of the components of the farm income accounts. [Gary Lucier (202) 447-2317]



# Farm Income and Cash Flow Statement

Item	1980	1981	1982	1983 F	1984 F
Billion dollars					
<b>Farm income sources<sup>1</sup></b>					
1. Cash receipts . . . . .	140.5	142.3	144.6	138-140	144-148
Crops <sup>2</sup> . . . . .	72.7	73.1	74.4	69-71	70-74
Livestock . . . . .	67.8	69.2	70.2	68-70	72-76
Cash Government payments . . . . .	1.3	1.9	3.5	3-5	2-5
Value of PIK commodities . . . . .	0.0	0.0	0.0	4-6	4-6
2. Direct Government payments . . . . .	1.3	1.9	3.5	8-10	6-10
3. Other cash income <sup>3</sup> . . . . .	1.6	2.0	2.1	1-3	1-3
4. Gross cash income (1+2+3) <sup>4</sup> . . . . .	143.4	146.2	150.1	149-151	154-158
5. Nonmoney income <sup>5</sup> . . . . .	12.1	13.3	13.9	12-14	12-14
6. Realized gross income (4+5) . . . . .	155.5	159.4	164.0	163-165	167-171
7. Value of inventory change . . . . .	-5.3	7.6	-1.9	-11--13	7-11
8. Total gross income (6+7) . . . . .	150.1	167.1	162.2	150-152	176-180
<b>Production expenses</b>					
9. Cash expenses <sup>6,7</sup> . . . . .	105.3	111.5	113.6 <sup>8</sup>	109-111	118-122
10. Total expenses . . . . .	128.6	137.0	140.1	135-137	144-148
<b>Income statement:</b>					
Net cash income: <sup>1,9</sup>					
11. Nominal (4-9) . . . . .	38.1	34.7	36.3	39-41	34-38
Deflated (1972\$) <sup>7</sup> . . . . .	21.3	17.7	17.5	18-20	15-17
Net farm income: <sup>1</sup>					
12. Nominal total net (8-10) . . . . .	21.5	30.1	22.1	15-17	30-34
Total net (1972\$) <sup>7</sup> . . . . .	12.0	15.4	10.7	7-9	13-15
Total net (1967\$) <sup>8</sup> . . . . .	6.7	11.0	7.6	5-7	9-11
13. Off farm income . . . . .	37.7	39.9	39.4	39-41	41-45
<b>Other sources and uses of funds</b>					
14. Change in loans outstanding <sup>4</sup> . . . . .	15.2	15.5	6.8	3-5	6-10
Real estate . . . . .	9.4	9.3	3.7	2-4	2-6
Nonreal estate <sup>9</sup> . . . . .	5.9	6.2	3.1	0-2	2-6
15. Rental income . . . . .	5.8	5.7	5.0	3-5	4-6
16. Gross cash flow (11+14+15) . . . . .	58.9	54.4	48.0	47-49	47-51
17. Capital expenditures <sup>9</sup> . . . . .	18.0	16.8	13.9	12-14	13-17
18. Net cash flow <sup>1,6</sup> (16-17) . . . . .	40.9	39.0	34.1	34-36	32-36

F = forecast. <sup>1</sup> Includes net CCC loans. <sup>2</sup> Income from custom work, machine hire, and farm recreational activities. <sup>3</sup> Numbers in parentheses indicate the combination of items required to calculate a given item. <sup>4</sup> Value of home consumption of farm products and imputed rental value of farm dwellings. <sup>5</sup> Excludes depreciation and perquisites to hired labor. <sup>6</sup> Excludes farm dwellings. <sup>7</sup> Deflated by the GNP implicit price deflator. <sup>8</sup> Deflated by the CPI-U. <sup>9</sup> Excludes CCC loans.

## Recent Publications

USDA's Economic Research Service publishes a number of research reports, statistical supplements, handbooks, and other periodicals that may be of interest to you as an *Agricultural Outlook* reader.

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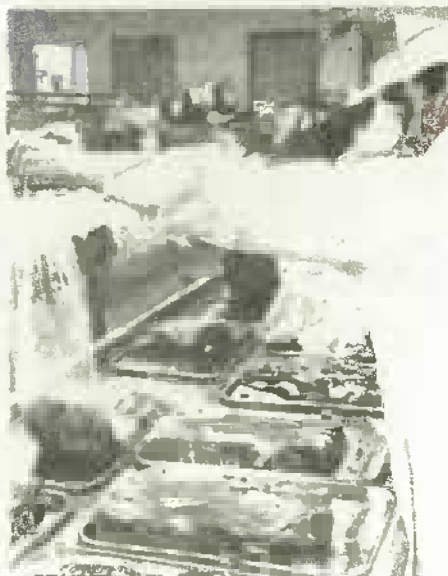
**Immigration Reform and Agricultural Labor.** AER-510. 36 pp. (Price \$2.00).

**U.S. Hog Industry.** AER-511. 116 pp. (Price \$4.50).

**Strong Dollar Dampens Demands for U.S. Farm Exports.** FAER-193. 40 pp. (Price \$2.00).

**Farmers' Guide to Trading Agricultural Commodity Options.** AIB-463. 32 pp. (Price \$1.50).





## Food and Marketing

### FOOD PRICE OUTLOOK

Food prices for the first half of this year are expected to average 4 percent above a year earlier. Much of the increase was caused by the severe cold in January and February. Food prices will likely continue to rise in the second half of the year, reflecting reduced pork supplies, strengthening consumer demand, and higher marketing costs. Prices for the year are expected to average 4 to 6 percent higher than in 1983.

Food prices increased sharply in January and February as the cold weather in December and January disrupted cattle marketings and damaged citrus and vegetable crops. In addition, the avian influenza reduced egg marketings. Lower supplies of these commodities sharply boosted farm prices, which were passed through to the retail level.

As the weather improved, cattle and vegetable marketings returned to normal, moderating prices. Egg prices fell following the strong Easter demand period and as supplies increased. During March-May, food prices remained stable but 4 to 5 percent above a year earlier.

Moderate increases in food prices are expected for the remainder of 1984. The Consumer Price Index (CPI) for food is expected to average about 1.5 percent higher in the third quarter than in the second.

### Increases in 1984 Food Prices To Be Somewhat Larger Than a Year Earlier

	1981 <sup>1</sup>	1982 <sup>1</sup>	1983 <sup>1</sup>	1984 F
	Percent			
Consumer Price Indexes:				
All food . . . . .	7.9	4.0	2.1	4- 6
Food away from home. . . . .	9.0	5.3	4.4	4- 6
Food at home. . . . .	7.3	3.4	1.1	4- 6
Meat, poultry, and fish. . . . .	4.1	4.0	-0.7	3- 8
Meats. . . . .	3.6	4.8	-1.1	3- 6
Beef and veal . . . . .	0.9	1.4	1.5	3- 6
Pork . . . . .	9.3	12.9	-0.9	3- 6
Other meats. . . . .	4.3	3.0	-0.4	3- 6
Poultry. . . . .	4.1	-1.8	1.2	6- 9
Fish and seafood. . . . .	8.3	3.6	1.2	1- 4
Eggs. . . . .	8.3	-2.8	4.7	9- 12
Dairy products. . . . .	7.1	1.4	1.2	0- 2
Fats and oils. . . . .	10.7	-2.8	1.3	5- 8
Fruit and vegetables. . . . .	12.0	5.5	0.3	5- 8
Fresh fruit. . . . .	5.4	11.1	-4.3	5- 8
Fresh vegetables. . . . .	18.7	0.5	3.8	10- 13
Processed fruit and vegetables. . . . .	12.0	5.3	1.0	4- 7
Processed fruit. . . . .	11.6	5.4	1.5	4- 7
Processed vegetables. . . . .	12.3	5.3	0.4	4- 7
Sugar and sweets. . . . .	7.9	-0.2	1.9	3- 6
Cereals and bakery products. . . . .	10.0	4.5	3.2	4- 7
Nonalcoholic beverages. . . . .	4.2	2.8	1.9	2- 5
Other prepared foods. . . . .	10.3	5.2	3.1	3- 6

<sup>1</sup> Historical data from Bureau of Labor Statistics. F = forecast by Economic Research Service.

### A Smaller Percentage of Income To Be Spent on Food This Year<sup>1</sup>

	1981	1982	1983p	1984F
Food (\$ Bil.) . . . . .	328.4	347.8	364.6	385.4
DPI (\$ Bil.) . . . . .	2,047.5	2,176.4	2,335.7	2,532.0
Per capita food expenditures (\$) . . . . .	1,428.45	1,498.49	1,556.12	1,629.60
Percent of DPI spent on food . . . . .	16.04	15.98	15.61	15.22

<sup>1</sup> Excludes alcoholic beverages. p = preliminary, F = forecast by ERS.

Source: Department of Commerce, BEA.

# Food and Marketing Indicators

CPI: Total food<sup>o</sup>



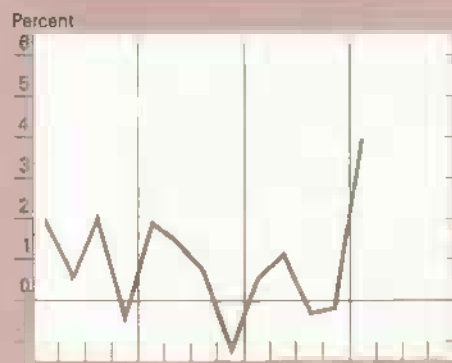
CPI: Food at home<sup>o</sup>



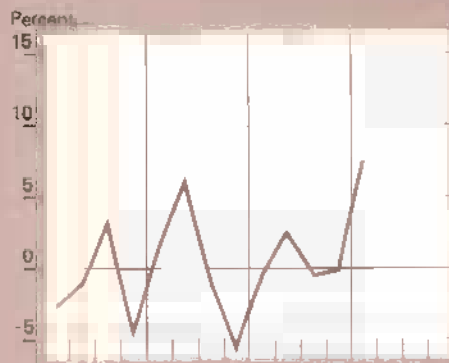
CPI: Food away from home<sup>o</sup>



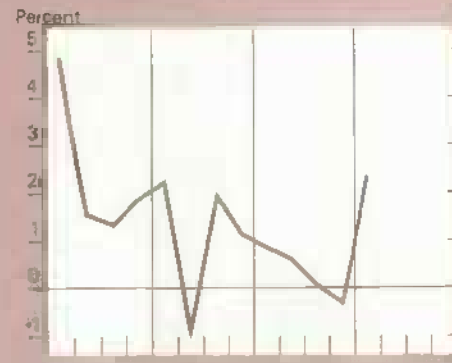
Farm food market basket, retail price



Farm value



Farm to retail spread



Imported food and fishery products



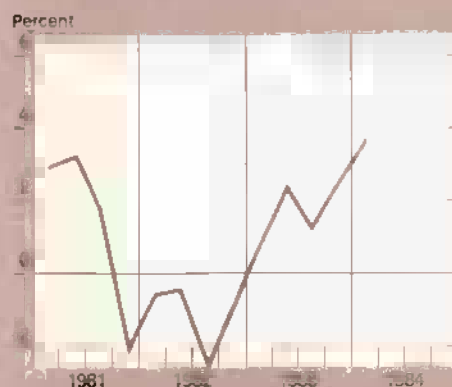
Marketing cost index



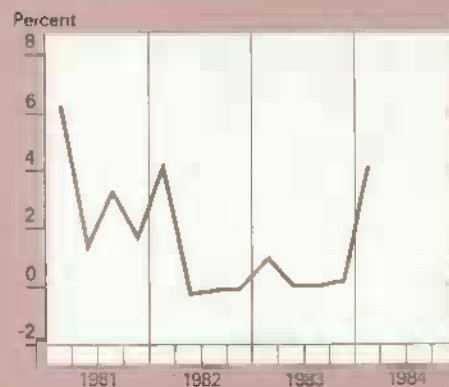
Labor cost



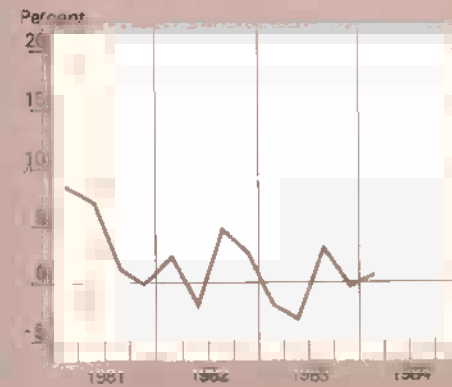
Packaging cost



Rail freight rates



Energy rates



<sup>o</sup> CPI unadjusted.

All series expressed as percentage change from preceding quarter.



The sharpest price increases will be for red meats, particularly pork. Meat production in the second half of the year is expected to be sharply below the large levels of a year earlier. Reduced meat supplies in 1984 can be linked to the 1983 summer drought, when livestock producers liquidated some breeding stock.

Lower second-half prices, compared with the first half of 1984, can be expected for poultry, eggs, and fresh vegetables. This will partially offset higher meat prices and moderate the increase in the overall CPI for food. Retail prices for most processed and prepared foods are expected to show continued moderate rises for the rest of the year, reflecting higher production costs and increased demand. [Ralph Parlett (202) 447-8801]

### FOOD EXPENDITURES AND INCOME

Consumer expenditures for food (excluding alcoholic beverages) are forecast to increase in 1984 because of higher retail prices. Increases in expenditures due to population growth will be partially offset by a slight decline in per capita consumption this year. Food use is forecast to fall 0.2 percent because of smaller supplies of red meat, fruit, eggs, and fats and oils.

Continuing a long upward trend, personal consumption expenditures for food are expected to total \$385.4 billion, up 5.7 percent from 1983. However, increases have been smaller in recent years because of smaller rises in food prices. Food expenditures are expected to average about \$1,630 per person in 1984, up 4.7 percent from 1983.

Disposable personal income (DPI) is forecast to rise nearly 8 percent this year, considerably more than the rise in food expenditures. Consequently, the percentage of income spent on food is expected to drop to 15.2 percent, from 15.6 percent in 1983. [Anne Rogers (202) 447-8801]



## World Agriculture and Trade

### GLOBAL GRAIN OUTLOOK FOR 1984/85

Global wheat and coarse grain production in 1984/85 is forecast at a record 1.294 million tons, around 115 million above 1983/84. U.S. grain crops are expected to rebound, with coarse grain production increasing 75 percent from last year. Grain production outside the United States will likely increase about 11 million tons to an alltime high.

Larger production is forecast to result in record global grain use in 1984/85, despite a 28-percent decline in carryin stocks. Use in the United States will increase from last year's drought reduced-level. Foreign grain use likely will increase about 23 million tons (2.2 percent).

Several factors will influence world grain trade in 1984/85. Among them are:

- decreased production prospects in several major grain importing nations, particularly the Soviet Union;
- limited export potential in South Africa, despite an expected improvement in the grain harvest;
- the relatively large number of bilateral long-term trade agreements, including the new U.S.-USSR Long-Term Grain Agreement, which raised

minimum Soviet purchases of U.S. grain to 9 million tons a year;

- improved economic conditions that likely will lead to increased demand for meat, which in turn will boost livestock output and feed use;

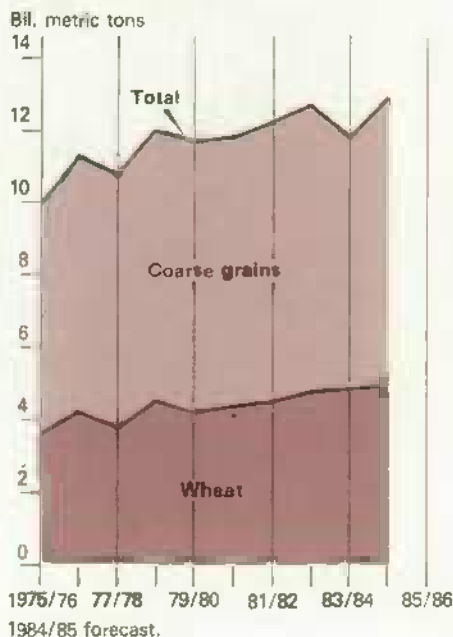
- anticipated lower wheat, corn, and oilseed prices; and

- continued large international debt burdens, particularly among Latin American countries, that may restrict the ability to finance agricultural imports.

### WHEAT SITUATION

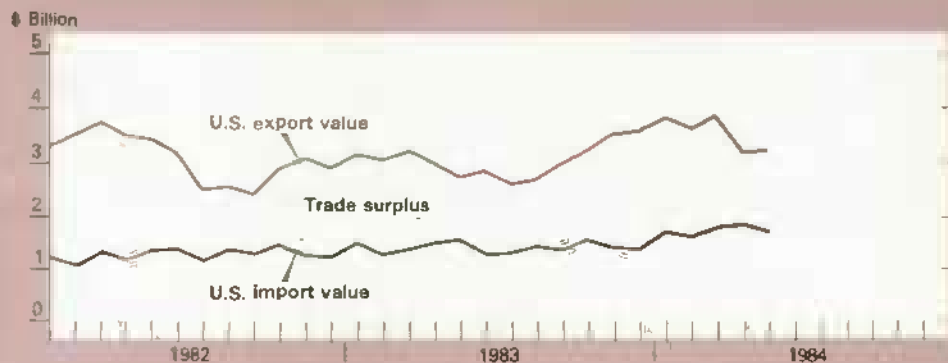
The world wheat situation in 1984/85 may be similar to the past 2 years—record production and consumption, with ending stocks advancing to near-record levels. World trade in wheat is expected to remain around 100 million tons for the fourth consecutive year, despite lower prices and record-large supplies in the five major exporting countries—the United States, Canada, Argentina, the European Community (EC), and Australia. As a result of increased production in a number of countries, total global use will be 15 million tons larger this year.

World Grain Production to Climb This Year

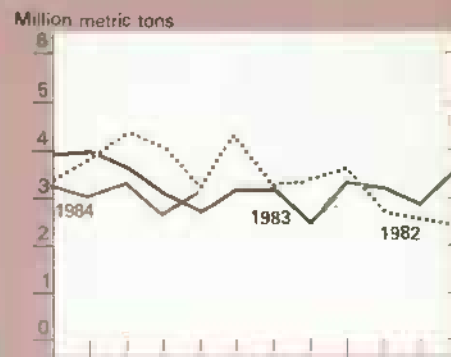


# U.S. Agricultural Trade Indicators

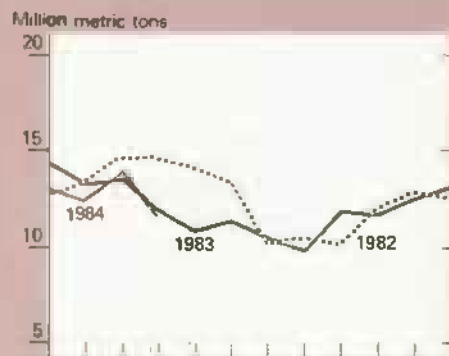
## U.S. agricultural trade balance



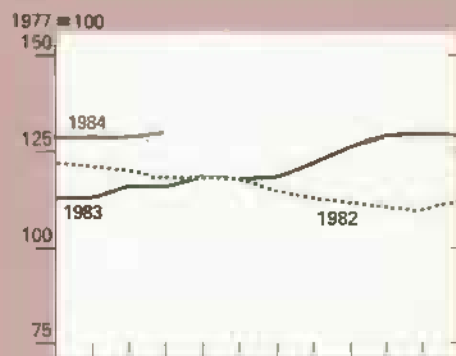
## U.S. wheat exports



## Export volume



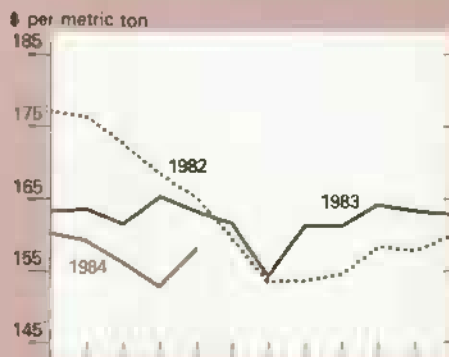
## Export prices



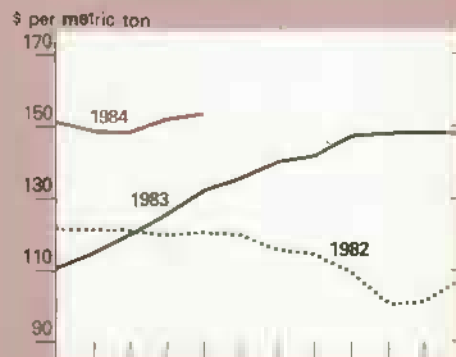
## U.S. corn exports



## Wheat export unit value\*



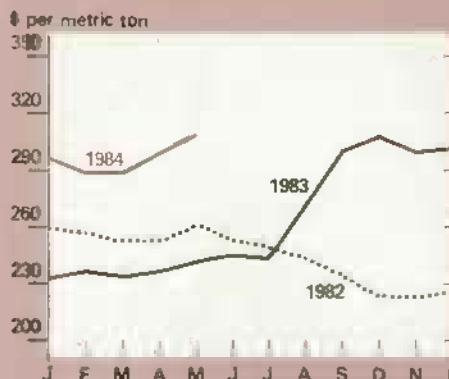
## Corn export unit value\*



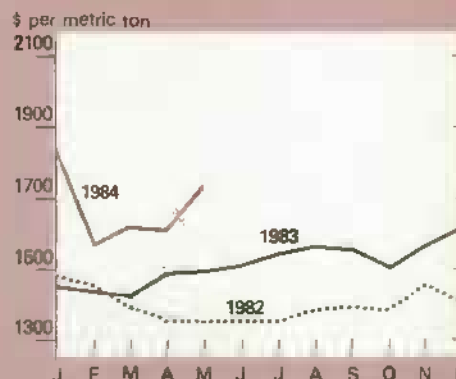
## U.S. soybean exports



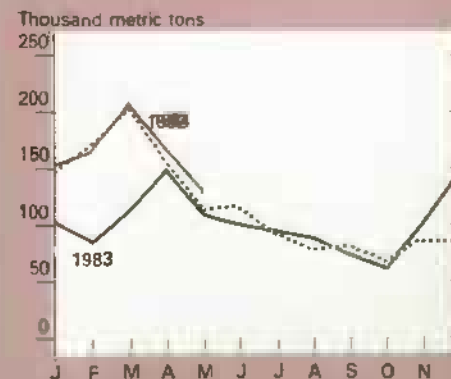
## Soybeans export unit value\*



## Cotton export unit value\*



## U.S. cotton exports



\*Value of U.S. exports divided by volume exported. Data on the wheat, corn, soybean, and cotton exchange rates are now included in the U.S. Agricultural Trade tables at the back of this issue.

World production in 1984/85 is forecast at a record 498 million tons. In the Northern Hemisphere, where winter wheat harvesting is underway and spring wheat has been sown, most regions are expected to have good crops. The U.S. output is forecast to be the third largest, even though one-fifth of the acreage base is being idled under the 1984 wheat reduction program. In China, rains during early June increased yield prospects, and the crop will likely approach last year's record. India's record crop was harvested during good weather, unlike the previous 2 years when wet weather damaged grain quality.

Record production is expected in Western Europe, with the largest gain anticipated in Spain. Eastern Europe probably will harvest an average crop. Canada is completing spring wheat sowing under generally favorable conditions, but production may fall 3 percent, primarily because of reduced acreage.

Production prospects are favorable in the Southern Hemisphere. Wheat in South Africa was planted during a relatively dry spell, but an average crop is forecast. In Australia, weather was generally good for winter wheat plantings, but substantial rains are needed to aid emergence in about half of the wheat area. Some areas in southern Argentina were dry, but in general, topsoil moisture is adequate. The crop is expected to be a little larger than last year.

#### ***Demand for Wheat Products Remains High;***

#### ***Feed Use Increasing***

Throughout the 1970's, policies that provided low-cost food in many developing countries promoted increased wheat consumption. In recent years, subsidies for wheat consumption have been lessened or eliminated in some countries, as Government expenditures grew prohibitively large. Demand for wheat products remains high, however, even in those countries where consumers must pay a higher price.

In contrast, wheat used for feed is highly price sensitive. Global wheat

prices in 1983/84 were the lowest since the late 1970's, while corn prices hit record highs. U.S. wheat export prices have averaged only \$10 a ton higher than corn this year, compared with an average of \$40 in recent years. Because of the low price premium, world wheat feeding (excluding the USSR) in 1983/84 and 1984/85 will likely average 40 percent above the previous 2 years. While most of the increase in wheat feeding is occurring in the United States and the EC, several other countries are importing wheat for feed.

Several million tons of weather-damaged or feed-quality wheat were traded in 1983/84 because of large available supplies and high feed grain prices. Australia sold the largest amount, nearly 2 million tons. Principal purchasers were South Africa, Spain, South Korea, Mexico, and Bangladesh. Because of a poor corn harvest, South Africa imported 400,000 tons of wheat to meet domestic feed requirements, its largest purchase in 15 years. Sales of lower quality wheat will likely continue this summer because of plentiful supplies. Australia still has feed wheat slated for sale, and the EC plans to export additional quantities of denatured wheat.

#### ***Export Competition Keen***

Foreign wheat exports during the 1980's have grown faster than in any other period. This rapid growth has especially hurt the United States because it came at a time when the volume of world trade was steady. U.S. wheat exports in 1984/85 will likely fall for the third straight year, to 36.7 million tons, nearly one-fourth below the 1981/82 high. The U.S. market share will likely drop to 36 percent, after averaging 43 percent in the 1970's.

Major exporters are using various arrangements to increase sales, including long-term trading agreements, extension of credit guarantees, and donations, along with price undercutting and subsidized exports.

#### **COARSE GRAIN OUTLOOK**

Global coarse grain production in 1984/85 is forecast at a record 796 million metric tons, about 15 percent above the depressed level of a year ago and almost 1.5 percent above the 1982/83 record. The bulk of the increase is in the United States, where

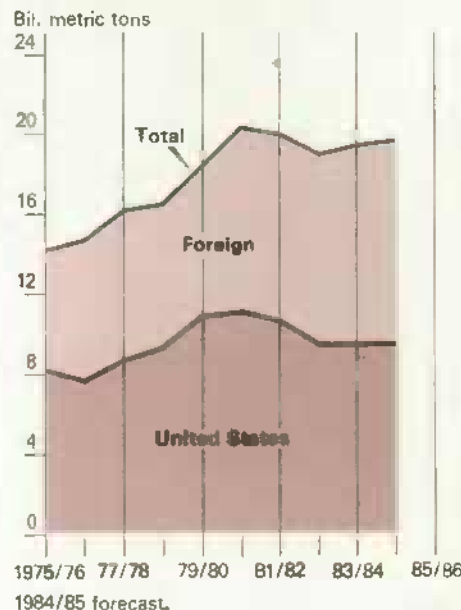
production is forecast at over 239 million tons, almost 75 percent larger than a year earlier.

However, foreign production is also forecast to increase, largely because of gains in South Africa, where improved weather should lead to the production of almost 10 million tons, up from an annual average of only 4 million during the previous 2 years. Larger crops are also expected in Canada and Western Europe.

The coarse grain outturn among major importing nations is forecast to fall about 4.6 million tons, although production is mixed among individual countries. Anticipated gains of over 7 million tons in Western Europe may be more than offset by losses in the Soviet Union.

Soviet coarse grain production is projected at 94 million tons, 10 percent below last year and the fifth consecutive poor crop. Once again, high temperatures and drought harmed the crop in many areas of European USSR. But this year, a lack of snowfall in many southern areas left soils much drier than normal.

**Global Wheat and Coarse Grain Exports May Rise, But U.S. Sales Could Stagnate**





**Consumption To Show Modest Gains in 1984/85; Ending Stocks May Rise**  
Global coarse grain consumption in 1984/85 may reach a record 775 million metric tons, up almost 13 million from last year. About half of the increase is expected in the United States, where consumption will likely rebound from a year ago but remain far short of the 1982/83 record.

Over half of global coarse grain consumption is used as livestock feed. Although combined feed use among the major importers (Eastern and Western Europe, the USSR, Japan, Mexico, Korea, and Taiwan) is forecast to decrease about 3 million tons in 1984/85, anticipated expansion in livestock production within the EC and the Soviet Union will likely keep U.S. sales high.

The substantial increase in world coarse grain production, coupled with only a modest increase in use, will allow ending stocks to advance about a third from 1983/84's reduced level. U.S. stocks have been drawn down dramatically this year because of the small 1983 crop, but they are forecast to increase almost 85 percent by the end of 1984/85. Even so, U.S. stocks will remain at only half their 1982/83 level. Foreign ending stocks are expected to decline marginally in 1984/85, as use exceeds supply.

#### **Coarse Grain Trade To Expand**

The decline in world grain prices and continued improvement in world economic conditions should lead to higher profit margins for livestock producers and increased demand for feedstuffs. Thus, world trade may expand to about 95.5 million tons in 1984/85, up more than 3.5 percent from a year earlier. However, trade will remain far short of the record 109 million tons in 1980/81.

Soviet imports of coarse grain, projected at 14 million tons in 1984/85, will be up significantly from a year earlier, with U.S. exports benefiting the most. U.S. sales to the Soviets this fiscal year have already far exceeded the minimum required by the current U.S.-USSR Long-Term Grain Agreement.

The United States has long been the world's dominant coarse grain exporter, with a market share that has fluctuated narrowly around 60 percent. For 1984/85, the U.S. share is forecast to be slightly under 61 percent for coarse grains, and over 70 percent for corn alone. U.S. coarse grain sales are forecast to increase more than 3 percent.

Even with improved South African prospects next year, corn and sorghum exports from the region should remain small, as South Africa attempts to rebuild depleted stocks. Coarse grain sales by other foreign exporters (including Canada, Australia, and Thailand) are forecast to remain near 1983/84 levels. Exports from Western Europe may approach historical levels if production prospects continue favorable. [Jim Cole (202) 447-8857 and Bradley Karmen (202) 447-8879]

#### **Upcoming Economic Reports**

Title	Summary Released
Farm Real Estate	
Market Developments	July 17
Wheat	July 24
Inputs	July 25
Oil Crops	July 26
Vegetables	July 30
South Asia	July 31
Livestock & Poultry	Aug. 1
World Ag Supply & Demand	Aug. 13
Economic Indicators of the Farm Sector	Aug. 14
Foreign Ag Trade of U.S.	Aug. 15
Feed	Aug. 16
Export Outlook	Aug. 20

Summaries are available on some computer networks on the dates indicated; the full reports are also released electronically 2 to 3 days later. For details on the summaries, call: (402) 472-1892 or (301) 588-1572. Full reports, text and tables, are provided by the system on (402) 472-1892.



#### **Transportation**

##### **POLICY UPDATE: RAILROAD MERGERS**

Over the past decade, railroads have become highly concentrated. Between 1975 and 1984, the number of Class I railroads (those with revenues of over \$50 million, 1978 dollars) declined 55 percent, leaving only 33 large railroads in operation. At the same time, as inflation eroded the value of the dollar and rail rates more than doubled, a number of relatively small railroads attained Class I status. However, many of the 33 existing Class I railroads are owned by single-holding companies. In 1981, six giant railroad systems accounted for 85 percent of the revenue produced by the 22 largest railroads.

On a regional basis, concentration is more pronounced. In the eastern United States, the Norfolk-Southern, CSX Corporation, and Conrail are the major systems connecting parts of the Midwest, the eastern Gulf Coast, and the eastern seaboard. In the West, the Burlington Northern, the Santa Fe Southern Pacific Corporation [Southern Pacific-Atchison Topeka and Santa Fe (AT&SF)], and Pacrail (Union Pacific-Missouri Pacific) connect the western half of the country with the Gulf States and the Midwest. Additionally, the Norfolk-Southern has pur-

chased 5 percent of Santa Fe Industries (the holding company owning the AT&SF). Several of the large railroads now connect either Pacific or Atlantic ports with those on the Gulf of Mexico.

#### **Railroad Mergers Continue**

Conrail, which serves New York, Chicago, Philadelphia, St. Louis, and many intermediate points, may be sold this year. The United States Railway Association (USRA) has now received 13 bids of \$1 billion or more for Conrail, including the Norfolk-Southern Corporation, Guilford Transportation Industries, Inc., CSX Corporation (all owners of railroads), and Citicorp (which listed the Burlington Northern as a potential partner).

CSX Corporation has called for a special conference to examine splitting up Conrail, but indicated it would equal or better any offer for the entire Conrail system. Thus, there is a real potential for the number of major railroads serving the East to be reduced to two. The Citicorp proposal creates the possibility of a single system serving the Atlantic, Pacific, and U.S. Gulf coasts.

#### **Mergers' Effects on Competition**

As a result of the Staggers Rail Act of 1980, the Interstate Commerce Commission (ICC) has made a number of sweeping changes. Railroads and shippers are now free to enter into contracts under terms that, although mutually agreed on, are not made public. These contracts are believed to be the predominant form for grain shipments. The ICC has also exempted all shipments by trailer-on-flat-car (TOFC) and boxcars. In sum, the great majority of all rail shipments of processed foods, grains, oilseeds, and fresh produce are no longer regulated.

The changes were made under the assumption that intense competition existed among railroads and between railroads and other modes. As the number of railroads decline, some controversy exists over the degree of rail

**For-Hire Barge Carriers Owning More Than 100 Jumbo Dry-Cargo Barges on the Mississippi River, 1982**

Carrier	All jumbo barges	Percent of total	Covered barges	Percent subtotal
ORCO/Orgulf . . . . .	1,648	14	230	3
ACBL . . . . .	1,471	12	915	14
Valley Line Co. . . . .	1,327	11	1,080	16
Consolidated Grain & Barge Co. . . . .	800	7	800	12
Dravo Mechling Corp. . . . .	697	6	503	8
Federal Barge Lines, Inc. . . . .	625	5	425	6
Other . . . . .	3,942	33	2,221	33
Subtotal: (20 largest for-hire carriers). . . . .	11,075	92	6,697	100
Estimated total (all for-hire carriers). . . . .	12,088	100	n.a.	

Source: Verified statement of Robert R. Nathan before the Interstate Commerce Commission, Finance Docket No. 30300, Feb. 14, 1984.

competition. In 1981, a survey made by the National Grain and Feed Association showed that 78 percent of all country elevators; 89 percent of all unit train elevators; and 57 percent of all terminal, subterminal, and river elevators were served by a single railroad. Recent rail mergers probably haven't enhanced the competitive position of these shippers.

Railroads may also be interested in adding other transport modes to their corporate structures. For example, Santa Fe Industries is the holding company for the AT&SF railroad, a trucking company, and a pipeline, as well as other businesses. Before 1983, the ICC had generally held that motor carriers owned by railroads or their affiliates were restricted to operations incidental to rail services, such as pickup and delivery operations. In August 1983, the ICC removed these restrictions, and railroads are now free to own motor carriers with nationwide operations.

#### **Railroad-Barge Merger Possible**

CSX Corporation has applied for ICC approval to consolidate the American Commercial Line (ACL), owner of the American Commercial Barge Line Company (ACBL), into CSX. The CSX Corporation already owns major railroads (the Chessie System and the Seaboard System). It is the largest of the eastern railroads, accounting for 40 percent of eastern rail assets, and the leading hauler of farm products in that

area, accounting for 32 percent of rail tonnage and 30 percent of rail revenue from these products.

The ACL has told the ICC that the merger "will bring new traffic to the waterways" and create greater efficiency. The ICC must now judge whether the merger would violate the Panama Canal Act of 1912 or the Interstate Commerce Act. The latter act prohibits mergers or consolidations that result in a "substantial lessening of competition, creating a monopoly, or restraint of trade in freight surface transportation in any region of the United States." An additional condition for prohibition is if "the anticompetitive effects of the transaction outweigh the public interest in meeting significant transportation needs."

The Panama Canal Act provides the most stringent test because it requires proof that a rail-barge line consolidation or merger will not reduce competition. CSX argues that cost savings realized from consolidated operations will serve the public interest. Further, they claim that competition will not be reduced, because the barge industry consists of a large number of firms, all of which compete with each other.

CSX also states that no entry barriers exist in the barge industry. This assertion chiefly stems from the current surplus of used barges, which can be purchased for \$150,000 to \$160,000, and the capacity to produce new barges costing \$200,000 to \$250,000.

In 1982, ACBL was second among the three largest for-hire barge carriers, accounting for 12 percent of jumbo dry-cargo barges and 14 percent of the grain barges. While not as highly concentrated as the railroad industry, water carriers show a substantial degree of concentration; the three largest firms account for 37 percent of all for-hire barges.

Opponents of the consolidation point out that ACL also owns Jeffboat, Inc., a major builder of river barges and towboats. Therefore, ACL would be able to curtail increases in supplies of equipment desired by ACBL's competitors. They claim that the consolidation would substantially reduce rail-barge competition, raise barge rates toward rail rate levels, and consequently reduce grain exports.

In an earlier, similar case, the ICC allowed the Southern railway to establish a barge subsidiary. The decision was appealed, and in 1974, a Federal district court affirmed the ICC's decision subject to four limitations:

- The barge line could serve only as a feeder from or to points not served by the railroad.
- Parallel barge service connecting two points served by the railroad was specifically prohibited.
- Competitive bidding for the water segment of the trip was required.

- The ICC was empowered to bar continued rail ownership of the barge line should the line seek an unfair competitive advantage.

The Southern Railway elected not to establish the barge subsidiary.

#### *ICC Upholds Gateway Closings*

When rail shipments move over several railroads' tracks, cars change railroads at points called gateways.<sup>1</sup> Since passage of the Staggers Rail Act, thousands of these gateways have been closed, and shippers and short line railroads have filed numerous complaints with the ICC. The last of these complaints has now been dismissed by the ICC, an indication that the Commission believes that only a limited number of gateways are required.

While some of the closings will be appealed in Federal courts, the process is lengthy and expensive. Several short-line railroads have stated that increased costs brought about by closed gateways will put them out of business before a court judgment will be rendered. For grain shippers, gateway closings limit the number of points that can be served, reduce competition, and cause higher transportation charges. As the number of railroads decreases, the ability to route shipments over more than one line becomes increasingly important. The National Grain and Feed Association has stated that this is the most important transportation issue facing grain marketing.

#### **WATERWAYS**

##### *User Fees Remain Current Issue*

Numerous bills and amendments concerning waterway user fees have been submitted to Congress. All the legislation deals with shifting to users some or all of the costs of maintaining or

improving ports and waterways. All can be categorized under one of four headings.

**Federal Spending Cap.** Under some proposals, a cap would be placed on Federal spending, but users, port authorities, and others would be allowed to participate in jointly funded projects. In this way, improvements beyond budget limits could be accomplished.

**Users Pay for Special Projects.** Federal financing would be available for ordinary maintenance, but port authorities or local governments would be encouraged to pay for improvements benefiting a limited number of port or waterway users. For example, H.R. 3678 would not require non-Federal cost sharing for general cargo ports (those with depths 45 feet and shallower), but costs of dredging ports to depths of more than 45 feet would be shared by the Federal and local governments. The system outlined in H.R. 3678 would benefit exporters of agricultural commodities because exports of grain, oilseeds, and other food seldom move in ships drawing more than 45 feet.

**User Charges.** Several forms of user charges have been proposed. One is to tax marine fuel, as is currently done on inland waterways. In other proposals, taxes would be based on tonnage shipped, ton miles generated, or the value of goods shipped. Because grain shipments are usually large, move over long distances, and are relatively low valued, grain shippers would generally prefer charges based on cargo value.

**Level of Federal Cost Recapture.** At this time, none of the port or waterway proposals under serious consideration include full recovery of all Federal expenditures. (T.Q. Hutchinson (202) 447-8707)

<sup>1</sup>For a more complete discussion of gateways and the impact of gateways closings see *Agricultural Outlook*, No. 88, June 1983.





## Debt in the Less-Developed World

The external debt of the developing world (excluding OPEC) rose steadily over the 1970's into the early 1980's. Most of the funds borrowed during that time were used to finance productive investments that increased foreign exchange earnings by more than the amount of repayment.

However, the situation deteriorated rapidly in early 1981. Debt service obligations (the total of principal and interest to be repaid at any point) for many countries began to rise faster than their ability to repay them. In the most serious cases, the interest and principal due (or interest alone) exceeded the amount these countries earned from exports.

The deteriorating situation soon came to public notice, creating a climate of uncertainty in international financial circles. Institutions from the International Monetary Fund (IMF) to small U.S. commercial banks were affected. Trade with developing nations, especially agricultural trade, was harmed.

### **Debt Keeps Rising**

Total foreign debt held by the developing world rose to about \$770 billion at the end of 1983, up from \$725 billion the previous year. The 25 largest borrowers accounted for all but \$160 billion. Last year's \$45 billion rise was the smallest percentage increase over the past 10 years. Nevertheless, the developing countries' total debt will likely mount to \$820 billion by the end of this year.

Short-term debt, with maturity of less than a year, declined from \$148 billion at the end of 1982 to \$126 billion in 1983. Much of the decrease is the result of three factors:

- **Rescheduling**—the process of extending the repayment period and lowering the current amount due—has been rising.
- The current account deficits of many of the most severely hit nations have been sharply reduced.
- Most of the short-term debt accumulated during 1980-82 was due to the need to finance sudden increases in imports, particularly petroleum. This need has since been reduced.

The region holding the largest foreign debt is Latin America, totaling some \$330 billion by the end of 1983, up from \$316 billion the previous year. With only few exceptions, the world debt problem is concentrated in Latin America. Of the 27 less-developed countries asking for renegotiation of commercial bank debt during 1981-83, 21 are in Latin America.

Short-term debt held by Latin American countries declined sharply as reschedulings rose, from 23 percent of the total in 1982 to 15.5 percent in 1983. Forecasts for 1984 place short-term obligations at about 10 percent.

### **Current Account Deficits Improve**

Debtor nations repay their loans from export earnings. Enough revenue must be generated from exports and new loans to buy imported goods, as well as satisfy creditors. When in external balance, exports plus new loans (inflows) equal imports and debt payments (outflows). This is why 1978-79's increase in oil prices set the stage for the current debt crisis. Commercial banks recycled petro dollars to developing countries in the form of loans to pay for both higher oil imports and to finance development projects. The equilibrium in the overall balance-of-payments was maintained by increasing debt to match rising import bills. However, in 1981 this equilibrium began to unravel.

In essence, the industrial countries refused to accommodate the inflationary pressure of oil price rises with expansionary monetary and fiscal policies, as they had following the 1973 oil price increase. The monetary restraint of the West produced a recession, which led to declining trade, pressuring the sensitive financial balance of the less-developed world.

The volume of world trade fell 2.5 percent in 1982, after rising only 1 percent in 1981 and 1.5 percent in 1980. Much of the burden fell on the developing world. The export volume for all developing countries (including OPEC) fell 7.4 percent in 1982; it increased only 1.7 percent for the non-OPEC group. The recovery in 1983 provided only 0.6 percent growth for all developing countries, 5.3 percent for the non-OPEC members. Although export volume grew, the total value of exports from the Third World fell each year from 1981 through 1983.

# Less-Developed World: Total Debt, Long- and Short-Term Components

Item	1979	1980	1981	1982	1983	1984 F
Billion dollars						
Debt, developing countries						
Total . . . . .	472.1	559.9	646.5	724.8	767.6	820.0
Long-term . . . . .	396.3	453.4	518.4	576.6	641.4	718.5
Short-term . . . . .	75.8	106.5	128.1	148.2	126.2	101.5
Debt, major borrowers						
Total . . . . .	370.9	440.1	514.3	576.4	606.9	640.1
Long-term . . . . .	300.6	340.8	392.7	435.9	486.7	548.6
Short-term . . . . .	70.3	99.3	121.6	140.5	120.2	91.5
Debt, Africa						
Total . . . . .	52.3	59.3	65.2	76.4	82.3	88.0
Long-term . . . . .	48.2	54.3	58.0	66.8	73.3	79.0
Short-term . . . . .	4.1	5.0	7.2	9.6	9.1	9.0
Debt, Asia						
Total . . . . .	110.1	133.9	151.6	176.4	193.7	212.0
Long-term . . . . .	89.2	105.4	120.2	139.2	158.0	177.9
Short-term . . . . .	20.9	28.5	31.4	37.2	35.6	34.1
Debt, Latin America						
Total . . . . .	185.3	224.1	283.2	323.9	336.5	354.5
Long-term . . . . .	159.0	180.9	224.6	249.1	284.4	317.3
Short-term . . . . .	26.3	43.3	58.6	74.8	52.2	37.2

F = Forecast. Major borrowers are the 25 developing countries with the largest external indebtedness at the end of 1982. These are Algeria, Argentina, Brazil, Chile, Colombia, Egypt, Hungary, India, Indonesia, Israel, Korea, Malaysia, Mexico, Morocco, Nigeria, Pakistan, Peru, Philippines, Portugal, Romania, South Africa, Thailand, Turkey, Venezuela, and Yugoslavia.

Sources: International Monetary Fund's World Economic Outlook, April 1984; World Bank; International Financial Statistics, various issues. ERS estimates.

Export earnings by the non-OPEC developing world showed the most astonishing change from the 1970's to 1981-83. After annual increases averaging over 20 percent during 1977-80, export revenues (measured in dollars) rose only 5.3 percent in 1981 and declined 4.7 percent in 1982. The recovery this year promises some increases, but not close to the export performance of the past decade.

With exports effectively curtailed and debt service still rising, two alternatives remained if the balance-of-payments equilibrium was to be maintained: increased financing or curtailed imports. The rise in debt between 1981 and 1982 was roughly comparable to that in previous years, but proved insufficient to meet the crisis. The subsequent rise in reschedulings, as well as the size of the debt under negotiation, made many potential creditors wary of increased exposure. As a result, new loan offerings were relatively scarce in 1982, a circumstance that continued through 1983 and into the current year.

By default, the burden of regaining equilibrium fell on imports of goods and services. In dollar terms, total imports of all less-developed nations fell 7.5 percent from 1981 to 1982 and another 6.3 percent in 1983. Agricultural imports also felt the pressure, falling from 9.7 to 8.7 percent of total dollar trade from 1981 to 1982, the last year for which data were available.

## U.S. Farm Trade Suffers

Worldwide, exports of U.S. farm products declined sharply from 1981 to 1982, with the value off 10.5 percent. Meanwhile, agricultural exports to the less-developed nations fell more than 20 percent. On the other hand, the recovery in U.S. commercial agricultural exports in 1983 increased faster in developing markets than for the world as a whole.

In addition to accounting for most of the world's external debt problems, Latin America also provided the largest share of the decline in U.S. agricultural exports. The dollar value of U.S. farm products shipped to Latin America fell 31 percent in 1982—almost 53 percent to Mexico alone. Last year's recovery in U.S. agricultural exports to Latin America was entirely due to increased sales to Mexico, although that country's total commercial purchases were well below 1980 and 1981.

Although changes in production account for some of the differences in agricultural trade, debt-related problems in Latin America certainly contributed to the falloff in trade. U.S. agricultural exports to Brazil, Venezuela, and the Caribbean continued to shrink.

Elsewhere in the developing world, the only area of optimism for U.S. exports lies in Asia, notably in South Korea. Despite a relatively high debt total in that country, close to \$40 billion at the end of 1983, strong exports will allow sustained growth in imports, including food and feedstuffs. Debt-plagued countries, such as the Philippines, will likely continue as weak prospects for trade expansion in the near future.

## Interest Rates Continue To Rise

Market interest rates have played an increasingly important role in debt repayment over the past 5 years. Loans extended at variable interest rates, based on the U.S. prime rate or the London Interbank Offered Rates (LIBOR), have become more popular as private creditors take an ever-larger share of lending to developing countries. In particular, the rise in interest rates on dollar-denominated loans has contributed to the repayment problems of countries like Mexico and Brazil.

# U.S. Commercial Farm Exports Drop During the Early 1980's\*

Country	1980	1981	1982	1983	1981	1982	1983	1983/81
	Million dollars				Percent change			
Latin America . . . . .	5,999	6,210	4,280	4,982	3.5	-31.1	16.4	-19.8
Mexico . . . . .	2,468	2,432	1,156	1,942	-1.5	-52.5	68	-20.1
Central America . . . . .	375	320	261	293	-14.7	-18.4	12.3	-8.4
Costa Rica . . . . .	67	45	25	28	-32.8	-44.4	12	-37.8
Caribbean . . . . .	687	749	730	708	9	-2.5	-3	-5.5
Jamaica . . . . .	66	86	94	100	30.3	9.3	6.4	18.3
Dominican Rep. . . . .	199	212	158	136	6.5	-25.5	13.9	-35.8
South America . . . . .	2,469	2,710	2,133	2,038	9.8	-21.3	-4.5	-24.8
Venezuela . . . . .	701	893	671	665	27.4	-24.8	-0.9	-25.5
Peru . . . . .	282	379	250	267	34.4	-34	6.8	-29.6
Brazil . . . . .	680	710	526	479	4.4	-25.9	-8.1	-32.5
Chile . . . . .	314	288	245	205	-8.3	-14.9	-16.3	-28.8
Eastern Europe . . . . .	2,071	1,806	810	824	-22.5	-49.6	1.7	-48.7
Poland . . . . .	571	548	157	190	-4	-71.4	21	-65.3
Yugoslavia . . . . .	278	138	182	268	-50.4	31.9	47.3	94.2
Asia . . . . .	14,411	15,363	13,295	13,767	6.6	-13.5	3.6	-10.4
West Asia . . . . .	1,350	1,711	1,389	1,533	26.7	-18.8	10.4	-10.4
Turkey . . . . .	17	128	65	35	852.9	-49.2	-46.2	-72.7
South Asia . . . . .	432	501	510	794	16	1.8	55.7	58.6
Pakistan . . . . .	87	101	128	104	16.1	26.7	-18.7	3
E. & S.E. Asia . . . . .	12,629	13,151	11,397	11,441	4.1	-13.3	-0.3	-13
Philippines . . . . .	298	306	343	323	2.7	12.1	-5.8	5.6
Indonesia . . . . .	335	338	419	380	0.9	24	-9.3	12.4
South Korea . . . . .	1,768	1,982	1,581	1,840	12.1	-20.2	16.4	-7.2
Africa . . . . .	1,481	1,985	1,508	1,854	34	-24	22.9	-8.6
Morocco . . . . .	116	117	114	172	0.9	-2.6	50.9	47
Developed . . . . .	21,276	22,088	19,601	16,818	3.8	-11.3	-4	-14.8
Less-developed . . . . .	13,181	14,814	11,668	13,299	10.9	-20.2	14	-9
Centrally Planned . . . . .	5,353	5,238	4,165	2,841	-2.1	-20.5	-31.8	-45.8
Less-developed minus Latin America . . . . .	7,182	8,404	7,388	8,317	17	-12.1	12.6	-1
World . . . . .	39,811	41,939	35,433	34,958	5.3	-15.5	-1.3	-16.6

\*Calendar years.

Discussion of nominal interest rates, however, masks the real resource costs that may go into loan repayment. In the United States, "real" interest rates are determined by subtracting some measure of current inflation from nominal interest rates. The equivalent measure for foreign countries is relevant interest rates adjusted for changes in an index of export prices. If export prices rise faster than interest rates, the real rate is negative.

For the developing world, real interest rates were generally negative until 1981, when they turned sharply positive. The decline in world trade led to falling export prices. Therefore, real interest rates became higher than nominal rates.

For countries that contracted loans in dollars, the repayment situation deteriorated most rapidly. In the United States, real interest rates rose as inflation abated. As a consequence, the value of the dollar also increased sharply. This abruptly reversed the circumstances for many borrowers, who contracted loans at what they thought to be low real interest rates. These loans had to be repaid with their depreciating local currency.

The dollar's real appreciation against the monies of the less-developed countries has been dramatic, sharply reversing the downward trend of the 1970's. This reinforces the observation that tremendous pressure exists on the external financing of most affected countries. In addition, the dollar's strengthening belies the continuing difficulty in financing imports of all goods, including agricultural products. The dollar's real appreciation against currencies in East Asia and Latin America in 1983 also indicates a prob-



able further decline in U.S. market shares in those areas, unless export earnings or financing increases markedly.

#### ***Inflation Adds to the Pressure***

Sharply increasing inflation, most noticeable following the oil price shocks of the 1970's, hiked the demand for external financing as the growth in real domestic resources declined. Once again, the most severely affected region was Latin America, where the rise in prices averaged over 50 percent a year during the past 10 years, accelerating to over 100 percent in 1983.

Inflation following the second round of OPEC oil increases placed considerable pressure on the external sector, both by increasing the demand for imported goods and by placing an implicit tax on exports. Not surprisingly, those countries that have been forced to adjust the most are those with the highest rates of inflation.

#### ***Prospects for 1984***

Any improvement in the external debt of the developing world depends on sustained recovery in the industrial countries. The falloff in developing countries' exports is strongly associated with sluggish economic growth in the West during 1980 and 1981, followed by a step backward in 1982. A sustained recovery in 1984, after modest growth in 1983, provides the greatest promise for less-developed countries.

The situation is, as may be expected, most precarious for Latin America. The real growth in the gross national product of Latin America's export customers was the lowest of any region during 1982 and 1983.

Except for the strong dollar, most of the factors aggravating external debt problems are improving this year. Real growth in the developed world will spur less-developed countries' export sales. More prudent monetary and fiscal policies, often implemented with IMF supervision, should alleviate the pressures and distortions of inflation. Nominal interest rates will remain high, especially in the United States, but the problems imposed by falling export prices have disappeared.

As far as U.S. agricultural trade is concerned, the burden of external financing will hold sales under the 1981 level. However, additional declines due to debt constraints seem unlikely.

Economic growth in the industrial world must be sustained at a 3.5-percent real annual growth rate over the next 3 years if the less-developed nations' debt problems are to remain confined to the first half of the 1980's. The current structure of debt implies a sharp jump in debt servicing in 1986. If policies that dampen the ability of the Third World to meet external obligations (protectionist tendencies, for example) come to the forefront, the 1981-83 episodes of massive reschedulings will almost certainly be repeated. [David Stallings (202) 447-8054]

*More aggressive U.S. marketing and a redirection of trade programs already in place would help to close the gap with the European Community in the world market for high-value agricultural products (HVP's).*

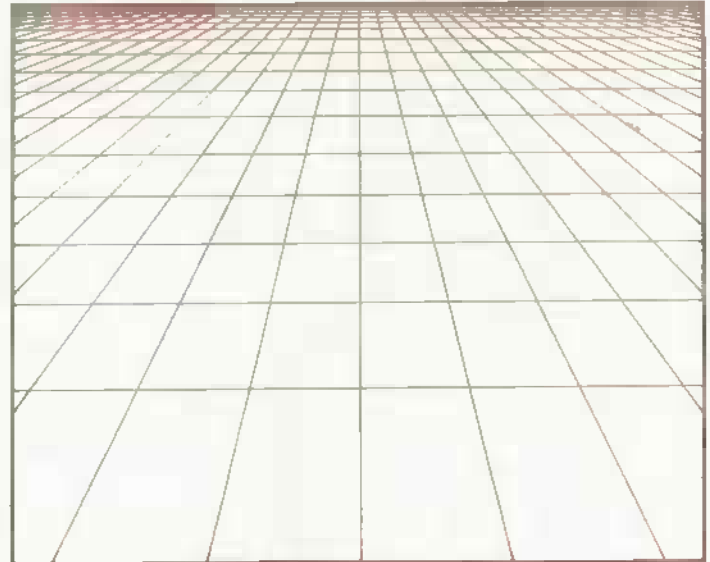
*The potential payoff in closing that gap is impressive: If by 1990 the U.S. expanded its HVP exports by half again as much as the present level, it would gain an additional \$50 billion in GNP and an additional 1 million U.S. jobs.*

*The U.S. share of world trade in HVP's, chiefly processed and semiprocessed food products, stagnated at about 10 percent from 1970-80, while the EC share, with its exports growing by 20 percent per year in that decade, stood at five times the U.S. level.*

*For more information on the growing market in HVP exports and the not always friendly U.S.-EC competition, be sure to get "High-Value Agricultural Exports: U.S. Opportunities in the 1980's." See box for ordering information.*

For your copy of "High-Value Agricultural Exports: U.S. Opportunities in the 1980's" (GPO no. 001-000-04371-4), send \$4.50 in check or money order to Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Make check or money order payable to Superintendent of Documents. Be sure to include the GPO number in your order. For faster service, call GPO's order desk at (202) 783-3238 and charge your purchase to your VISA, MasterCard, or GPO deposit account. Foreign addresses, add additional 25 percent.

### **Closing the U.S. Ag Export Gap**



# Statistical Indicators

## Summary Data

### Key statistical indicators of the food and fiber sector

	1983				1984				
	II	III	IV	Annual	I	II F	III F	IV F	Annual F
<b>Prices received by farmers (1977=100)</b>									
Livestock and products	136	136	136	134	144	144	147	139	144
Crops	143	138	138	141	151	146	153	150	151
Prices paid by farmers (1977=100)	127	133	134	127	138	143	141	128	138
prod. items	154	153	154	153	156	157	160	159	158
Commodities and services, int., taxes, and wages	160	161	162	161	165	166	168	169	167
<b>Cash receipts<sup>1</sup> (\$ bil.)<sup>2</sup></b>									
Livestock (\$ bil.)	139	139	128	139	132	146-150	150-154	149-153	144-148
Crops (\$ bil.)	59	67	70	69	73	72-76	72-76	74-78	72-76
	70	72	58	70	59	72-76	76-80	73-77	70-74
<b>Market basket (1967=100)</b>									
Retail cost	270	269	269	269	288	292	296	298	294
Farm value	243	243	241	240	257	252	263	255	257
Spread	285	286	286	286	306	315	315	324	315
Farm value/retail cost (%)	33	31	33	33	32	32	33	32	32
<b>Retail prices (1967=100)</b>									
Food	292	292	293	292	301	302	306	309	305
At home	283	283	282	282	292	292	295	298	294
Away-from home	319	321	325	320	329	333	337	342	335
<b>Agricultural exports (\$ bil.)<sup>3</sup></b>	6.5	6.2	10.2	34.8	10.7	8.8	6.3	10.0	38.0
<b>Agricultural imports (\$ bil.)<sup>3</sup></b>	4.3	4.1	4.3	16.4	5.0	4.1	4.1	4.1	17.5
<b>Livestock and products</b>									
Total livestock and products (1974=100)	116.4	116.6	116.7	115.1	112.3	116.4	112.5	111.0	113.1
Beef (mil. lb.)	5,556	6,015	5,962	23,060	5,709	5,825	5,825	5,550	22,909
Pork (mil. lb.)	3,771	3,657	4,206	15,117	3,737	3,650	3,275	3,725	14,387
Veal (mil. lb.)	98	110	117	428	116	110	95	105	426
Lamb and mutton (mil. lb.)	89	94	91	367	98	96	80	80	354
Red meats (mil. lb.)	9,514	9,876	10,376	38,972	9,660	9,681	9,275	9,460	38,076
Broilers (mil. lb.)	3,277	3,135	2,917	12,389	3,075	3,300	3,275	3,080	12,730
Turkeys (mil. lb.)	581	760	759	2,563	431	590	750	770	2,541
Total meats and poultry (mil. lb.)	13,321	13,745	14,052	53,924	13,166	13,571	13,300	13,310	53,347
Eggs (mil. dz.)	1,405	1,399	1,418	5,655	1,401	1,420	1,430	1,460	5,711
Milk (bil. lb.)	36.9	35.0	33.8	140.0	34.1	35.7	32.9	31.5	134.2
Choice steers, Omaha (\$/cwt.)	67.04	60.89	60.61	62.52	67.58	66.00	64.68	64.68	65.67
Barrows and gilts, 7 markets (\$/cwt.)	46.74	46.90	42.18	47.71	47.88	49.00	54.58	53.57	51.53
Broilers-wholesale, 12-city weighted avg. dressed (cts./lb.) <sup>4</sup>	46.5	53.9	55.2	—	61.8	56.00	52.56	50.54	55.57
Turkeys-wholesale, N.Y., 8-16 lb. hens, dressed (cts./lb.)	57.3	60.3	69.4	60.5	67.7	67.0	67.71	68.72	67.69
Eggs, N.Y. Gr. A large, (cts./dz.)	69.1	74.4	91.3	75.2	103.4	83.5	72.76	68.72	82.84
Milk, all at farm (\$/cwt.)	13.33	13.33	13.80	13.57	13.40	12.90-13.00	13.00-13.30	13.85-14.35	13.30-13.50
<b>Crop prices at the farm<sup>4</sup></b>									
Wheat (\$/bu.)	3.68	3.53	3.54	3.50	3.46	3.58	—	—	3.20-3.50
Corn (\$/bu.)	3.00	3.27	3.16	3.25	3.16	3.34	—	—	2.60-3.05
Soybeans (\$/bu.)	6.01	7.37	7.84	7.90	7.61	7.86	—	—	6.00-8.50
Upland cotton (cts./lb.)	60.8	65.7	66.0	—	66.3	71.4	—	—	—

<sup>1</sup> Quarterly cash receipts are seasonally adjusted at annual rates. <sup>2</sup> Annual data are based on Oct.-Sept. fiscal years ending with the indicated year. <sup>3</sup> The 9-city price has been discontinued; starting with the second quarter 1983 the broiler price is the new 12-city average. <sup>4</sup> Quarterly prices are simple averages; annual prices are for marketing year beginning in year indicated. F = Forecast. Numbers may not add to totals due to rounding. \*Seasonally adjusted at annual rates.

# Farm Income

## Farm income statistics

	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983 F	1984 F
	\$ Bil.										
<b>Receipts</b>											
<b>Cash receipts:</b>											
Crops <sup>1</sup> . . . . .	51.1	45.8	49.0	48.6	53.7	63.2	72.7	73.1	74.4	69 to 71	70 to 74
Livestock . . . . .	41.3	43.1	46.3	47.6	59.2	68.6	67.8	69.2	70.2	68 to 70	72 to 76
Total . . . . .	92.4	88.9	95.4	96.2	112.9	131.8	140.5	142.3	144.6	138 to 140	144 to 148
Other cash income <sup>2</sup> . . . . .	1.4	1.8	1.8	3.0	4.3	2.9	2.9	3.9	5.6	10 to 12	8 to 12
Gross cash income . . . . .	93.6	90.7	97.1	99.2	117.2	134.7	143.4	146.2	150.1	149 to 151	154 to 158
Nonmoney Income <sup>3</sup> . . . . .	6.1	6.5	7.3	8.4	9.2	10.7	12.1	13.3	13.9	12 to 14	12 to 14
Realized gross income . . . . .	99.9	97.2	104.4	107.6	126.4	145.4	155.5	159.4	164.0	162 to 164	167 to 171
Value of inventory chg. . . . .	-1.6	3.4	-1.5	1.1	.8	4.9	-5.3	7.6	-1.9	-11 to -13	7 to 11
Total gross income . . . . .	98.3	100.6	102.9	108.7	127.2	150.4	150.1	167.1	182.2	150 to 152	176 to 180
<b>Expenses</b>											
Cash expenses <sup>4</sup> . . . . .	59.6	61.7	67.8	72.0	81.0	97.3	105.3	111.5	113.8	109 to 111	118 to 122
Total expenses . . . . .	71.0	75.0	82.7	88.9	99.5	118.1	128.6	137.0	140.1	135 to 137	144 to 148
<b>Income</b>											
Net cash income . . . . .	34.2	29.0	29.3	27.3	36.2	37.4	38.1	34.7	36.3	39 to 41	34 to 38
Total net farm income . . . . .	27.3	25.6	20.1	19.8	27.7	32.3	21.5	30.1	22.1	15 to 17	30 to 34
Deflated total net farm income <sup>5</sup> . . . . .	23.7	20.4	15.2	14.1	18.4	19.7	12.0	15.4	10.7	7 to 8	13 to 15
Off-farm income <sup>6</sup> . . . . .	28.1	23.9	26.7	26.1	29.7	35.3	37.7	39.9	39.4	39 to 41	41 to 45

F = Forecast. <sup>1</sup> Includes net CCC loans. <sup>2</sup> Income from machine hire and custom work, farm recreational income, and direct government payments. <sup>3</sup> Imputed gross rental value of farm dwellings and value of home consumption. <sup>4</sup> Excludes depreciation of farm capital, perquisites to hired labor, and expenses associated with farm dwellings, and includes net rent to all landlords. <sup>5</sup> Deflated by the GNP implicit price deflator, 1972=100. <sup>6</sup> Reflects changes in farm definition in 1975 and 1977.

## Cash receipts from farming

	1983										1984			
	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec		Jan	Feb	Mar	Apr
<b>Farm marketings and CCC loans<sup>1</sup></b>	9,620	9,726	9,781	10,835	11,329	12,063	14,332	13,894	12,372		12,156	9,212	10,252	8,985
Livestock and products . . . . .	5,886	6,102	5,893	5,218	5,631	5,752	6,021	5,787	5,792		6,027	5,517	6,159	5,757
Meat animals . . . . .	3,430	3,562	3,169	2,605	3,100	3,152	3,244	3,217	3,190		3,302	3,043	3,507	3,445
Dairy products . . . . .	1,614	1,686	1,616	1,584	1,556	1,494	1,541	1,502	1,513		1,563	1,461	1,557	1,520
Poultry and eggs . . . . .	735	757	817	796	889	898	954	958	997		1,039	931	1,001	692
Other . . . . .	107	97	91	233	86	208	282	110	92		123	82	94	100
Crops . . . . .	3,734	3,624	4,088	5,617	5,698	6,311	8,311	8,107	6,580		6,129	3,695	4,093	3,228
Food grains . . . . .	305	318	952	1,876	1,453	866	878	691	583		511	391	472	346
Feed crops . . . . .	987	1,006	1,220	1,072	1,111	1,243	979	1,575	1,237		1,563	973	703	593
Cotton (lint and seed) . . . . .	12	59	48	48	55	182	892	963	917		691	278	165	-193
Tobacco . . . . .	28	10	D	71	572	549	289	395	453		343	35	12	20
Oil-bearing crops . . . . .	553	421	444	808	839	1,093	2,769	2,001	1,216		1,623	690	1,122	752
Vegetables and melons . . . . .	724	793	512	629	725	990	1,019	631	653		614	556	696	749
Fruits and tree nuts . . . . .	320	377	485	662 <sup>1</sup>	507	729	738	726	612		233	250	252	158
Other . . . . .	805	640	427	451	436	659	747	1,125	909		551	522	671	803
<b>Government payments</b> . . . . .	711	291	854	233	583	854	1,195	1,418	1,803		848	1,892	1,896	414
<b>Total cash receipts<sup>2</sup></b> . . . . .	10,331	10,017	10,635	11,068	11,912	12,917	15,527	15,312	14,175		13,004	11,104	12,148	9,399

<sup>1</sup> Receipts from loans represent value of loans minus value of redemptions during the month. <sup>2</sup> Cash receipts estimates reported in this issue for 1983 contain revisions due to a more complete accounting for CCC loans repaid, which has the effect of reducing sales.



Cash receipts<sup>1</sup> from farm marketings, by States, January-April

State	Livestock and products		Crops <sup>2</sup>		Total <sup>2</sup>	
	1983	1984	1983	1984	1983	1984
	(\$MH.)					
<b>North Atlantic</b>						
Maine . . . . .	80.3	139.1	56.3	82.8	136.6	221.6
New Hampshire . . . . .	26.8	26.8	11.9	12.5	38.7	39.3
Vermont . . . . .	133.1	130.3	13.3	13.8	146.4	144.0
Massachusetts . . . . .	45.1	45.8	52.3	52.0	97.4	97.8
Rhode Island . . . . .	4.2	4.2	6.0	5.8	10.1	10.0
Connecticut . . . . .	63.5	75.9	51.4	48.0	114.9	123.8
New York . . . . .	647.0	653.9	182.5	176.8	829.5	830.5
New Jersey . . . . .	44.5	44.5	72.9	88.6	117.4	113.1
Pennsylvania . . . . .	744.3	760.7	265.0	254.4	1,009.2	1,015.1
<b>North Central</b>						
Ohio . . . . .	486.5	503.3	645.4	602.8	1,131.9	1,105.9
Indiana . . . . .	593.5	578.6	768.3	512.6	1,361.8	1,091.2
Illinois . . . . .	794.9	743.1	2,734.7	1,810.0	3,529.6	2,553.0
Michigan . . . . .	415.6	416.4	450.1	417.2	865.7	833.6
Wisconsin . . . . .	1,369.4	1,318.6	303.1	286.5	1,672.5	1,605.2
Minnesota . . . . .	1,114.6	1,063.4	921.2	621.7	2,035.8	1,685.1
Iowa . . . . .	1,911.5	1,774.8	1,747.5	1,025.2	3,659.1	2,800.1
Missouri . . . . .	838.2	792.5	469.9	480.0	1,308.1	1,272.4
North Dakota . . . . .	263.6	259.8	651.5	369.1	915.1	628.9
South Dakota . . . . .	636.6	625.1	269.7	255.1	906.3	880.2
Nebraska . . . . .	1,513.8	1,530.7	1,026.7	487.5	2,540.4	2,018.2
Kansas . . . . .	1,196.0	1,213.4	694.4	523.9	1,890.4	1,737.3
<b>Southern</b>						
Delaware . . . . .	95.8	127.9	20.7	21.6	116.2	149.5
Maryland . . . . .	221.1	265.0	104.0	85.3	325.2	350.4
Virginia . . . . .	272.0	293.0	118.3	99.0	390.2	392.1
West Virginia . . . . .	54.3	53.4	15.0	13.4	69.3	66.8
North Carolina . . . . .	529.4	571.6	285.7	244.9	815.1	816.5
South Carolina . . . . .	127.4	145.5	128.0	117.1	255.4	262.8
Georgia . . . . .	589.9	650.9	264.7	256.5	854.6	907.4
Florida . . . . .	306.5	324.6	1,707.4	1,315.5	2,013.9	1,640.1
Kentucky . . . . .	386.1	359.6	478.3	387.8	864.3	747.3
Tennessee . . . . .	302.1	294.7	261.3	224.2	563.4	518.8
Alabama . . . . .	405.6	463.3	181.1	144.2	586.7	607.5
Mississippi . . . . .	300.3	324.3	391.4	263.6	691.8	587.9
Arkansas . . . . .	458.3	534.6	253.9	304.5	712.2	839.1
Louisiana . . . . .	159.3	166.8	293.1	285.9	452.4	452.7
Oklahoma . . . . .	473.6	468.0	281.3	231.4	754.9	699.4
Texas . . . . .	1,786.7	1,834.9	1,000.8	730.3	2,787.5	2,565.3
<b>Western</b>						
Montana . . . . .	250.4	243.1	328.3	230.2	578.6	473.3
Idaho . . . . .	280.1	281.5	301.0	330.6	581.1	612.1
Wyoming . . . . .	154.7	153.3	22.8	26.6	177.5	179.8
Colorado . . . . .	695.3	712.7	266.5	286.4	961.8	999.1
New Mexico . . . . .	192.6	183.7	50.4	54.0	243.0	237.7
Arizona . . . . .	229.1	232.1	279.5	294.4	508.6	526.5
Utah . . . . .	184.5	164.2	36.8	35.5	201.3	199.7
Nevada . . . . .	48.0	50.0	26.8	27.9	74.9	77.9
Washington . . . . .	310.9	319.0	523.0	610.6	833.9	929.6
Oregon . . . . .	173.2	174.7	261.8	302.9	435.0	477.6
California . . . . .	1,288.9	1,337.1	1,755.4	1,967.9	3,044.2	3,304.9
Alaska . . . . .	2.4	2.4	1.8	1.8	4.2	4.2
Hawaii . . . . .	27.1	26.9	146.3	146.3	173.4	173.2
<b>United States . . . . .</b>	<b>23,208.6</b>	<b>23,459.4</b>	<b>21,179.3</b>	<b>17,145.8</b>	<b>44,387.8</b>	<b>40,605.2</b>

<sup>1</sup> Estimates as of the first of current month. <sup>2</sup> Sales of farm products include receipts from loans reported minus value of redemptions during the period. Rounded data may not add.

## Farm marketing indexes (physical volume)

	Annual			1983			1984			
	1981	1982	1983 p	Apr	Nov	Dec	Jan	Feb	Mar	Apr
	1977=100									
All commodities . . . . .	111	120	110	105	95	102	113	101	104	96
Livestock and products . . . .	103	104	106	103	97	106	110	105	102	103
Crop . . . . .	119	136	114	107	94	99	115	97	107	86

p = preliminary. Volume of marketing indexes reported in this issue for 1983 contains revisions due to a more complete accounting for CCC loans repaid, which has the effect of reducing sales.

## Farm Prices: Received and Paid

### Indexes of prices received and paid by farmers, U.S. average

	Annual			1983	1984					
	1981	1982	1983	June	Jan	Feb	Mar	Apr	May	June p
	1977=100									
Prices Received										
All farm products . . . . .	139	133	134	133	144	144	145	146	144	143
All crops . . . . .	134	121	127	124	138	137	139	140	144	145
Food grains . . . . .	166	146	148	144	145	142	145	150	150	142
Feed grains and hay . . . . .	141	120	144	146	152	150	153	158	160	159
Feed grains . . . . .	145	120	146	148	154	151	155	160	162	163
Cotton . . . . .	111	92	104	103	104	109	116	113	122	120
Tobacco . . . . .	140	154	147	124	151	150	149	149	149	149
Oil-bearing crops . . . . .	110	88	102	89	121	114	119	121	125	119
Fruit . . . . .	130	175	126	126	129	128	130	134	161	202
Fresh market <sup>1</sup> . . . . .	132	186	127	127	132	130	132	137	170	220
Commercial vegetables . . . . .	136	127	131	139	164	169	155	136	122	123
Fresh market . . . . .	135	120	128	139	171	178	160	136	117	118
Potatoes <sup>1</sup> . . . . .	177	125	123	128	153	157	159	170	168	174
Livestock and products . . . . .	143	145	141	141	150	151	151	151	145	142
Meat animals . . . . .	150	155	147	150	151	154	158	156	153	150
Dairy products . . . . .	142	140	140	136	140	138	136	135	134	132
Poultry and eggs . . . . .	116	110	118	113	164	160	149	155	133	125
Prices paid										
Commodities and services, interest, taxes, and wage rates . . . . .	150	157	161	161	164	165	165	166	166	166
Production items . . . . .	148	150	153	153	156	156	157	158	157	157
Feed . . . . .	134	122	134	132	144	142	142	143	143	141
Feeder livestock . . . . .	164	164	160	162	156	161	161	158	153	151
Seed . . . . .	138	141	141	141	142	142	142	153	153	153
Fertilizer . . . . .	144	144	137	138	136	136	146	146	147	147
Agricultural chemicals . . . . .	111	119	125	126	126	126	126	126	129	129
Fuels & energy . . . . .	213	210	202	204	202	204	203	203	204	203
Farm & motor supplies . . . . .	147	152	152	153	148	148	148	147	148	148
Autos & trucks . . . . .	143	159	170	170	178	178	179	180	181	182
Tractors & self-propelled machinery . . . . .	152	165	174	176	177	177	180	180	180	182
Other machinery . . . . .	146	160	171	173	174	174	177	177	177	182
Building & fencing . . . . .	134	135	138	139	137	138	138	139	139	137
Farm services & cash rent . . . . .	137	145	147	147	151	151	151	151	151	151
Interest Payable per acre on farm real estate debt . . . . .	211	241	251	251	256	256	256	256	256	256
Taxes Payable per acre on farm real estate . . . . .	123	131	137	137	145	145	145	145	145	145
Wage rates (seasonally adjusted) . . . . .	137	143	147	147	152	152	152	152	152	152
Production items, interest, taxes, and wage rates . . . . .	151	155	159	159	162	163	164	164	164	163
Prices received (1910-14=100) . . . . .	633	609	616	607	660	658	663	665	659	655
Prices paid, etc. (Parity index) (1910-14=100) . . . . .	1,035	1,076	1,105	1,107	1,128	1,132	1,138	1,141	1,140	1,140
Parity ratio <sup>2</sup> . . . . .	61	57	56	55	59	58	58	58	58	57

<sup>1</sup> Fresh market for noncitrus and fresh market and processing for citrus. <sup>2</sup> Includes sweet potatoes and dry edible beans. <sup>3</sup> Ratio of index of prices received to index of prices paid, taxes, and wage rates. (1910-14=100). p = preliminary.

## Prices received by farmers, U.S. average

	Annual*			1983	1984					
	1981	1982	1983	June	Jan.	Feb.	Mar.	Apr.	May	June p
<b>Crops</b>										
All wheat (\$/bu.)	3.88	3.52	3.52	3.50	3.50	3.40	3.49	3.63	3.65	3.45
Rice, rough (\$/cwt.)	11.90	8.36	8.31	7.88	8.57	8.85	8.63	8.49	8.24	7.98
Corn (\$/bu.)	2.92	2.37	2.99	3.04	3.16	3.11	3.21	3.32	3.34	3.36
Sorghum (\$/cwt.)	4.72	4.00	4.89	5.05	4.93	4.74	4.85	5.00	5.08	5.13
All hay, baled (\$/ton)	67.70	68.60	74.80	75.30	80.00	81.20	80.50	82.50	84.90	78.70
Soybeans (\$/bu.)	6.92	5.78	6.73	5.90	7.85	7.29	7.68	7.82	8.12	7.65
Cotton, upland (cts./lb.)	67.1	55.5	63.2	62.6	62.7	65.7	70.5	68.1	73.6	72.4
Potatoes (\$/cwt.)	6.95	5.10	4.98	5.34	6.10	6.28	6.45	6.94	6.79	7.41
Dry edible beans (\$/cwt.)	28.60	16.80	18.20	15.60	22.10	21.30	20.30	21.10	20.40	21.90
Apples for fresh use (cts./lb.)	13.2	15.4	13.3	10.5	14.3	15.9	16.1	15.5	16.4	15.3
Pears for fresh use (\$/ton)	264	300	287	324	193	201	165	133	86	101
Oranges, all uses (\$/box) <sup>1</sup>	3.77	7.47	3.68	4.34	3.26	3.98	4.04	4.44	6.69	10.01
Grapefruit, all uses (\$/box) <sup>1</sup>	3.65	2.04	2.02	1.69	2.35	1.95	3.17	3.92	3.60	2.51
<b>Livestock</b>										
Beef cattle (\$/cwt.)	58.50	57.00	55.70	58.30	57.10	59.70	61.70	60.10	58.60	56.50
Calves (\$/cwt.)	64.50	60.20	62.10	64.30	60.90	63.90	63.70	62.30	60.80	58.90
Hogs (\$/cwt.)	43.40	54.00	46.20	43.90	48.50	45.40	45.80	47.50	47.20	48.40
Lambs (\$/cwt.)	55.40	54.60	55.50	54.20	60.00	59.20	58.20	60.60	59.50	56.80
All milk, sold to plants (\$/cwt.)	13.80	13.60	13.60	13.20	13.60	13.40	13.20	13.10	13.00	12.80
Milk, manuf. grade (\$/cwt.)	12.70	12.70	12.60	12.40	12.50	12.40	12.30	12.30	12.10	12.00
Broilers (cts./lb.)	28.0	26.8	29.2	28.5	36.9	37.4	37.8	34.8	33.5	33.2
Eggs (cts./doz.) <sup>2</sup>	58.5	63.0	56.1	58.7	96.1	92.9	79.4	91.4	68.9	61.0
Turkeys (cts./lb.)	38.5	37.5	36.1	36.5	46.6	41.3	41.6	43.3	42.7	42.5
Wool (cts./lb.) <sup>3</sup>	91.1	68.0	65.4	63.5	63.7	63.7	72.4	86.1	87.8	87.7

<sup>1</sup> Equivalent on-tree returns. <sup>2</sup> Average of all eggs sold by producers including hatching eggs and eggs sold at retail. <sup>3</sup> Average local market price, excluding incentive payments. \*Calendar year averages. p = preliminary.

## Producer and Consumer Prices

### Consumer Price Index for all urban consumers, U.S. average (not seasonally adjusted)

	Annual	1983					1984				
	1983	May	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
1967=100											
Consumer price index, all items	298.4	297.1	302.6	303.1	303.5	305.2	306.6	307.3	308.8	309.7	
Consumer price index, less food	298.3	296.5	303.2	303.9	304.0	304.8	305.9	306.8	308.6	310.0	
All food	291.7	292.4	292.9	292.5	293.9	299.4	302.1	302.2	302.3	301.4	
Food away from home	319.9	318.6	323.9	324.8	325.5	327.2	328.5	329.8	330.9	332.6	
Food at home	282.2	283.8	282.3	281.4	283.0	290.2	293.6	293.1	292.8	290.7	
Meats <sup>1</sup>	267.2	272.7	260.4	258.6	258.3	266.4	270.0	268.8	268.9	267.9	
Beef and veal	272.3	281.3	266.2	265.7	266.0	274.9	280.9	279.9	280.8	278.3	
Pork	255.8	257.3	246.4	241.1	240.3	250.8	250.6	248.6	247.7	248.0	
Poultry	197.5	192.0	199.6	201.7	209.8	217.5	225.5	223.2	222.3	218.0	
Fish	374.9	372.6	374.1	374.9	376.4	383.4	386.2	385.3	387.3	380.8	
Eggs	187.1	181.8	200.1	208.2	234.0	266.5	270.3	237.2	249.6	218.9	
Dairy products <sup>2</sup>	250.0	250.3	250.1	250.2	249.9	250.8	250.9	250.8	251.5	251.0	
Fats and oils <sup>3</sup>	263.1	258.3	271.1	275.4	278.2	279.7	281.1	280.7	282.4	282.9	
Fruits and vegetables	292.2	298.2	296.7	288.9	292.6	311.0	321.0	323.2	315.3	310.2	
Fresh	297.6	311.0	304.9	288.7	294.2	327.8	342.8	344.3	326.5	316.0	
Processed	288.8	286.7	290.3	291.6	293.3	295.1	299.9	302.8	305.7	306.5	
Cereals and bakery products	292.5	291.7	294.0	295.7	297.1	299.8	300.3	301.5	302.8	303.5	
Sugar and sweets	374.4	373.1	375.5	376.0	377.7	380.0	381.2	384.8	387.7	390.0	
Beverages, nonalcoholic	432.2	431.1	436.4	435.2	433.7	439.1	441.8	443.5	443.6	441.7	
Apparel commodities less footwear	180.8	180.2	185.4	185.3	183.4	179.8	179.3	182.3	182.6	181.7	
Footwear	206.9	208.0	208.6	209.1	207.9	206.7	206.4	207.7	208.9	210.2	
Tobacco products	291.0	285.3	299.0	299.9	299.9	304.3	305.4	305.6	305.9	305.9	
Beverages, alcoholic	216.5	216.6	218.9	218.6	218.1	219.0	219.9	220.7	221.3	221.5	

<sup>1</sup> Beef, veal, lamb, pork, and processed meat. <sup>2</sup> Includes butter. <sup>3</sup> Excludes butter.



Producer price indexes, U.S. average (not seasonally adjusted)

	Annual			1983		1984				
	1981	1982	1983 p	May	Dec	Jan	Feb	Mar	Apr	May
	1967=100									
<b>Finished goods<sup>1</sup></b>	269.8	280.6	285.2	284.2	287.2	289.5	290.6	291.7	291.4	291.5
Consumer foods	253.6	259.3	261.8	262.6	264.3	272.2	274.7	277.0	275.0	272.3
Fresh fruit	228.9	236.9	251.2	232.9	258.9	232.9	232.2	220.3	213.2	239.4
Fresh and dried vegetables	278.0	246.5	248.9	261.2	263.1	316.5	355.3	357.4	283.5	240.2
Eggs	187.1	178.7	n.a.	185.1	n.a.	282.4	280.7	235.8	264.4	201.0
Bakery products	268.2	275.4	265.7	283.4	291.4	292.8	294.8	296.7	294.5	295.6
Meats	239.0	250.6	236.7	246.0	227.1	239.9	241.2	239.5	239.8	235.8
Beef and veal	246.8	245.0	236.7	253.5	230.9	241.6	248.6	253.8	247.4	238.6
Pork	218.1	251.1	227.6	227.7	213.1	232.2	222.6	208.7	218.0	219.7
Poultry	193.3	178.7	185.0	173.1	206.7	214.7	215.6	218.2	211.5	206.6
Fish	377.8	422.4	448.2	474.3	422.6	465.1	436.6	588.4	566.5	556.2
Dairy products	245.6	248.9	250.6	250.9	249.2	248.5	248.6	249.0	249.2	248.9
Processed fruits and vegetables	261.2	274.5	277.1	275.3	281.5	285.3	291.8	293.2	295.6	297.4
Shortening and cooking oils	238.0	234.4	256.1	237.4	290.3	291.1	285.7	290.9	297.8	322.8
Consumer finished goods less foods	276.5	287.8	291.3	289.4	292.5	292.5	293.1	293.9	293.7	295.1
Beverages, alcoholic	189.5	197.8	205.0	205.4	206.1	207.6	208.7	207.8	210.0	211.6
Soft drinks	305.1	319.1	327.4	328.0	331.6	332.6	334.5	337.1	337.6	340.0
Apparel	186.0	194.4	197.1	196.5	198.4	198.7	199.8	200.7	200.3	201.2
Footwear	240.9	245.0	250.1	248.7	251.3	251.7	251.6	253.3	251.8	251.8
Tobacco products	268.3	323.2	365.3	353.8	377.0	389.4	390.3	390.3	390.4	390.6
<b>Intermediate materials<sup>2</sup></b>	306.0	310.4	312.4	309.7	315.7	316.6	317.4	319.5	320.2	320.9
Materials for food manufacturing	260.4	255.1	258.4	257.0	262.9	268.6	267.9	269.2	271.3	275.6
Flour	191.9	183.4	186.4	188.2	183.5	182.4	181.4	184.2	188.3	187.2
Refined sugar <sup>3</sup>	171.8	161.3	172.0	171.8	173.8	173.8	173.4	174.2	174.5	174.6
Crude vegetable oils	185.4	160.1	193.8	170.8	221.8	241.4	220.3	247.7	253.6	306.7
<b>Crude materials<sup>4</sup></b>	329.0	319.5	323.6	325.8	327.5	333.7	332.8	339.4	340.1	338.5
Foodstuffs and feedstuffs	257.4	247.8	252.3	256.5	256.0	264.0	260.7	270.7	270.4	267.2
Fruits and vegetables <sup>5</sup>	267.3	253.7	261.7	260.1	273.0	290.4	311.5	307.0	262.8	251.1
Grains	248.4	210.9	240.4	242.2	243.6	245.5	235.3	250.9	262.1	256.2
Livestock	248.0	257.8	243.1	258.0	238.2	250.7	251.9	260.8	260.8	254.8
Poultry live	201.2	191.9	206.5	186.9	241.2	252.6	251.3	258.4	240.8	240.6
Fibers, plant and animal	242.0	202.9	227.0	223.8	244.1	229.3	232.7	250.3	252.3	259.1
Milk	287.4	282.5	282.0	279.8	281.4	279.1	275.7	274.2	272.7	271.7
Oilseeds	277.8	214.5	245.3	223.6	271.5	273.1	251.0	274.9	280.1	298.7
Coffee, green	330.1	311.5	300.1	298.8	301.3	301.3	301.3	301.3	310.2	310.2
Tobacco, leaf	246.9	269.9	274.2	275.9	264.8	265.6	263.4	n.a.	n.a.	274.6
Sugar, raw cane	272.7	278.5	315.9	323.1	311.6	309.4	315.7	314.8	314.4	315.4
<b>All commodities</b>	293.4	299.3	303.1	301.5	306.1	308.0	308.8	311.1	311.4	311.7
<b>Industrial commodities</b>	304.1	312.3	315.8	313.6	318.4	319.1	320.4	321.9	322.5	323.3
<b>All foods<sup>6</sup></b>	251.8	254.4	257.5	258.2	260.0	268.3	270.3	273.5	271.6	269.8
Farm products and processed foods and feeds	251.5	248.9	253.9	254.7	257.9	264.4	263.5	268.3	267.9	266.3
Farm products	254.9	242.4	248.2	250.4	254.0	263.4	261.5	267.4	265.4	260.8
Processed foods and feeds	248.7	251.5	256.0	256.1	259.0	263.8	263.5	267.8	268.2	258.3
Cereal and bakery products	255.5	253.8	260.9	259.1	265.1	266.6	267.0	267.9	268.2	268.6
Sugar and confectionery	275.9	269.7	292.8	289.9	297.5	299.9	300.6	299.3	301.8	303.6
Beverages	248.0	256.9	263.6	263.6	266.5	268.7	270.0	270.2	271.6	273.6

<sup>1</sup> Commodities ready for sale to ultimate consumer. <sup>2</sup> Commodities requiring further processing to become finished goods. <sup>3</sup> All types and sizes of refined sugar. <sup>4</sup> Products entering market for the first time which have not been manufactured at that point. <sup>5</sup> Fresh and dried. <sup>6</sup> Includes all raw, intermediate, and processed foods (excludes soft drinks, alcoholic beverages, and manufactured animal feeds). n.a. = not available.

# Market basket of farm foods

	Annual			1983		1984				
	1981	1982	1983 p	May	Dec	Jan	Feb	Mar	Apr	May
<b>Market basket<sup>1</sup></b>										
Retail cost (1967=100) . . . . .	257.1	266.4	268.7	270.6	269.7	277.2	280.7	279.9	279.4	277.4
Farm value (1967=100) . . . . .	243.0	245.7	240.3	243.9	244.6	259.0	259.8	255.4	259.4	252.7
Farm-retail spread (1967=100) . . . . .	265.4	278.6	285.5	286.2	284.5	288.1	292.7	294.3	291.2	291.9
Farm value/retail cost (%) . . . . .	35.0	34.2	33.1	33.4	33.8	34.6	34.3	33.8	34.4	33.7
<b>Meat products</b>										
Retail cost (1967=100) . . . . .	257.8	270.3	267.2	272.7	258.3	266.4	270.0	268.8	268.9	267.9
Farm value (1967=100) . . . . .	235.5	251.3	235.8	249.2	221.7	244.3	247.1	242.4	250.1	243.1
Farm retail spread (1967=100) . . . . .	284.0	292.4	304.0	300.3	301.1	292.3	296.7	300.0	291.0	297.0
Farm value/retail cost (%) . . . . .	49.3	50.2	47.6	49.3	46.3	49.5	49.4	48.6	50.2	48.9
<b>Dairy products</b>										
Retail cost (1967=100) . . . . .	243.6	247.0	250.0	250.3	249.9	250.8	250.9	250.8	251.5	251.0
Farm value (1967=100) . . . . .	265.9	261.9	262.1	258.9	260.5	259.1	255.2	253.6	252.5	253.8
Farm retail spread (1967=100) . . . . .	224.1	233.9	239.3	241.4	240.6	243.5	247.1	248.3	250.6	248.5
Farm value/retail cost (%) . . . . .	51.0	49.6	49.0	48.4	48.7	48.3	47.6	47.3	47.0	47.3
<b>Poultry</b>										
Retail cost (1967=100) . . . . .	198.6	194.9	197.5	192.0	209.8	217.5	225.5	223.2	222.3	218.0
Farm value (1967=100) . . . . .	210.2	201.9	213.0	196.0	251.8	270.6	265.8	268.5	254.5	246.2
Farm-retail spread (1967=100) . . . . .	187.4	188.1	182.4	188.1	169.2	166.2	186.6	179.3	191.1	190.7
Farm value/retail cost (%) . . . . .	52.0	50.7	53.1	50.2	59.0	61.2	68.0	59.2	56.3	55.5
<b>Eggs</b>										
Retail cost (1967=100) . . . . .	183.8	178.7	187.1	181.8	234.0	266.5	270.3	237.2	249.6	218.9
Farm value (1967=100) . . . . .	206.5	189.8	206.1	196.9	284.3	332.6	318.4	263.4	313.1	223.3
Farm retail spread (1967=100) . . . . .	150.9	162.7	159.5	159.9	161.4	170.9	200.9	199.4	157.8	212.4
Farm value/retail cost (%) . . . . .	68.4	62.8	65.1	64.0	71.8	73.8	69.6	65.6	74.1	60.3
<b>Cereal and bakery products</b>										
Retail cost (1967=100) . . . . .	271.1	283.4	292.5	291.7	297.1	299.8	300.3	301.5	302.8	303.5
Farm value (1967=100) . . . . .	204.4	178.8	186.6	192.7	190.1	192.3	194.9	194.7	203.4	207.4
Farm retail spread (1967=100) . . . . .	284.9	305.1	314.0	312.2	319.2	322.0	322.1	323.6	323.4	323.4
Farm value/retail cost (%) . . . . .	12.9	10.8	11.1	11.3	11.0	11.0	11.1	11.1	11.5	11.7
<b>Fresh fruits</b>										
Retail cost (1967=100) . . . . .	286.1	323.2	303.6	303.2	281.0	301.1	305.5	310.8	313.3	330.1
Farm value (1967=100) . . . . .	238.8	288.8	220.6	188.2	285.8	283.4	279.4	252.9	255.8	282.0
Farm-retail spread (1967=100) . . . . .	307.3	338.7	340.8	354.8	278.9	309.1	317.2	336.8	339.1	351.7
Farm value/retail cost (%) . . . . .	25.9	27.7	22.5	19.2	31.5	29.2	28.3	26.2	25.3	26.5
<b>Fresh vegetables</b>										
Retail costs (1967=100) . . . . .	287.4	288.9	299.3	320.8	316.6	363.6	388.6	385.4	347.4	316.8
Farm value (1967=100) . . . . .	285.6	261.3	267.4	313.6	295.6	328.9	359.5	369.1	332.0	268.5
Farm-retail spread (1967=100) . . . . .	288.3	301.8	314.3	324.2	326.5	379.9	399.3	393.0	364.7	339.5
Farm value/retail cost (%) . . . . .	31.8	28.9	28.6	31.3	29.9	28.9	29.7	30.6	30.6	27.1
<b>Processed fruits and vegetables</b>										
Retail cost (1967=100) . . . . .	271.5	286.0	288.8	286.7	293.3	295.1	299.9	302.8	305.7	306.5
Farm value (1967=100) . . . . .	290.6	269.2	252.5	248.6	256.3	254.0	259.8	265.3	265.5	277.7
Farm retail spread (1967=100) . . . . .	267.3	289.7	296.8	295.3	301.6	304.2	308.8	311.1	314.6	312.9
Farm value/retail costs (%) . . . . .	19.4	17.1	15.8	15.7	15.8	15.6	15.7	15.9	15.7	16.4
<b>Fats and oils</b>										
Retail cost (1967=100) . . . . .	267.1	259.9	263.1	258.3	278.2	279.7	281.1	280.7	282.4	282.9
Farm value (1967=100) . . . . .	262.4	207.8	251.0	218.1	298.5	324.9	312.0	330.1	344.8	412.4
Farm retail spread (1967=100) . . . . .	268.9	279.9	267.8	273.8	270.4	262.4	269.2	261.7	258.4	233.1
Farm value/retail cost (%) . . . . .	27.3	22.2	26.5	23.4	29.8	32.2	30.8	32.7	33.4	40.5

<sup>1</sup> Retail costs are based on indexes of retail prices for domestically produced farm foods from the CPI-U published monthly by the Bureau of Labor Statistics. The farm value is the payment to farmers for quantity of farm product equivalent to retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale and may include marketing charges such as grading and packing for some commodities. The farm-retail spread, the difference between the retail price and the farm value, represents charges for assembling, processing, transporting, and distributing these foods.

Note: Annual historical data on farm-retail price spreads may be found in Food Consumption, Prices and Expenditure, Statistical Bulletin 702, ERS, USDA.

## Farm-retail price spreads

	Annual			1983		1984				
	1981	1982	1983	May	Dec	Jan	Feb	Mar	Apr	May
<b>Beef, Choice</b>										
Retail price <sup>1</sup> (cts./lb.)	238.7	242.5	238.1	246.7	230.3	239.3	243.9	244.6	244.8	241.9
Net carcass value <sup>2</sup> (cts.)	149.3	150.7	145.4	155.9	148.3	155.9	152.1	155.0	152.9	146.9
Net farm value <sup>3</sup> (cts.)	138.5	140.5	136.2	147.8	138.4	146.1	144.5	147.5	145.5	137.8
Farm-retail spread (cts.)	100.2	102.0	101.9	98.9	91.9	93.2	99.4	97.1	99.3	104.1
Carcass-retail spread <sup>4</sup> (cts.)	89.4	91.8	92.7	90.8	82.0	83.4	91.8	89.6	91.9	95.0
Farm-carcass spread <sup>5</sup> (cts.)	10.8	10.2	9.2	8.1	9.9	9.8	7.6	7.5	7.4	9.1
Farm value/retail price (%)	58	58	57	60	60	61	59	60	59	57
<b>Pork</b>										
Retail price <sup>1</sup> (cts./lb.)	152.4	175.4	169.8	171.1	158.1	162.2	162.9	159.4	159.8	158.6
Wholesale value <sup>2</sup> (cts.)	106.7	121.8	108.9	106.0	110.8	112.9	109.2	103.8	107.1	110.6
Net farm value <sup>3</sup> (cts.)	70.3	88.0	76.5	75.2	76.6	79.3	73.6	74.1	76.0	75.6
Farm-retail spread (cts.)	82.1	87.4	93.3	95.9	81.5	82.9	89.3	85.3	83.8	83.0
Wholesale-retail spread <sup>4</sup> (cts.)	45.7	53.6	60.9	65.1	47.3	49.3	53.7	55.6	52.7	48.0
Farm-wholesale spread <sup>5</sup> (cts.)	36.4	33.8	32.4	30.8	34.2	33.6	35.6	29.7	31.1	35.0
Farm value/retail price (%)	46	50	45	44	48	49	45	46	48	48

<sup>1</sup> Estimated weighted average price of retail cuts from pork and yield grade 3 beef carcasses. Retail prices from BLS. <sup>2</sup> Value of carcass quantity equivalent to 1 lb. of retail cuts: beef adjusted for value of fat and bone byproducts. <sup>3</sup> Market value to producer for quantity of live animal equivalent to 1 lb. retail cuts minus value of byproducts. <sup>4</sup> Represents charges for retailing and other marketing services such as fabricating, wholesaling, and in-city transportation. <sup>5</sup> Represents charges made for livestock marketing, processing, and transportation to city where consumed.

## Transportation Data

### Rail rates; grain and fruit-vegetable shipments

	Annual			1983		1984				
	1981	1982	1983	May	Dec	Jan	Feb	Mar	Apr	May
<b>Rail freight rate index<sup>1</sup></b>										
All products (1969=100)	327.6	351.4	355.8	355.4	357.2	370.7	370.7p	371.0p	371.1p	371.1p
Farm products (1969=100)	315.0	337.2	342.9	342.0	345.6	357.7	357.7p	357.7p	357.7p	357.7p
Grain (Dec. 1978=100)	148.1	159.5	160.2	160.0	160.7	167.2	167.2p	167.2p	161.2p	167.2p
Food Products (1969=100)	329.4	353.2	356.6	356.4	357.2	371.9	371.9p	371.9p	371.9p	371.9p
Rail carloadings of grain (thou. cars) <sup>2</sup>	26.3	24.9	26.1	20.8	25.9	31.1	29.2	27.7	27.0	23.6
Barge shipments of grain (mil. bu.) <sup>3</sup>	37.9	41.2	40.6	38.6	38.5	26.2	22.6	36.8	38.7	36.5
<b>Fresh fruit and vegetable shipments</b>										
Piggy back (thousand cwt.) <sup>3,4</sup>	262	387	551	700	597	516	500	617	666	792
Rail (thou. cwt.) <sup>3,4</sup>	888	698	769	821	723	957	813	755	628	825
Truck (thou. cwt.) <sup>3,4</sup>	7,769	7,849	7,873	8,962	7,753	6,847	6,697	7,510	8,817	9,654

<sup>1</sup> Department of Labor, Bureau of Labor Statistics, revised April 1982. <sup>2</sup> Weekly average; from Association of American Railroads. <sup>3</sup> Weekly average; from Agricultural Marketing Service, USDA. <sup>4</sup> Preliminary data for 1984. p = preliminary.



# Livestock and Products

## Poultry and eggs

	Annual			1983		1984				
	1981	1982	1983 p	May	Dec	Jan	Feb	Mar	Apr	May
<b>Broilers</b>										
Federally inspected slaughter, certified (mil. lb.) . . .	11,906	12,039	12,381	1,096.3	941.6	1,028.9	984.5	1,068.8	1,052.2	1,149.4
Wholesale price, 9-city, (cts./lb.) <sup>1</sup> . . . . .	46.3	44.0	49.4	48.9	57.1	62.1	61.2	62.0	56.0	57.6
Price of broiler grower feed (\$/ton) . . . . .	227	210	223	220	240	243	243	242	246	246
Broiler-feed price ratio (lb.) <sup>2</sup> . . . . .	2.6	2.5	2.6	2.4	2.6	3.0	3.1	3.1	2.8	2.7
Broilers, stocks beginning of period (mil. lb.) . . . .	22.4	32.6	22.3	20.6	22.9	21.2	23.3	16.4	14.4	20.6
Average weekly placements of broiler chicks, 19 States (mil.) . . . . .	77.1	80.2	80.4	83.7	79.9	79.5	81.1	85.2	86.6	69.4
<b>Turkeys</b>										
Federally inspected slaughter, certified (mil. lb.) . .	2,509	2,459	2,563	183.7	189.0	138.1	139.0	155.1	162.9	198.6
Wholesale price, New York, 8-16 lb. young hens (cts./lb.) . . . . .	60.7	60.8	60.5	56.6	76.1	72.2	64.7	66.1	67.0	66.8
Price of turkey grower feed (\$/ton) . . . . .	249	229	247	241	262	257	256	252	258	258
Turkey-feed price ratio (lb.) <sup>3</sup> . . . . .	3.1	3.3	2.9	2.9	3.5	3.6	3.2	3.3	3.4	3.3
Turkeys, stocks beginning of period (mil. lb.) . . . .	198.0	238.4	203.9	192.3	251.6	161.8	161.5	145.8	149.4	141.9
Poults placed in U.S. (mil.) . . . . .	( <sup>4</sup> )	( <sup>4</sup> )	181.8	20.9	12.5	14.0	15.3	18.3	19.1	21.1
<b>Eggs</b>										
Farm production (mil.) . . . . .	69,859	69,680	67,863	5,710	5,774	5,689	5,328	5,798	5,644	5,738
Average number of layers on farms (mil.) . . . . .	288	286	276	272	276	277	277	278	278	276
Rate of lay (eggs per layer) . . . . .	243	243	247	21.0	20.8	20.5	19.3	20.8	20.3	20.8
Cartoned price, New York, grade A large (cts./doz.) <sup>3</sup> . . . . .	73.2	70.1	75.2	69.9	101.9	115.0	104.0	91.0	103.7	—
Price of laying feed (\$/ton) . . . . .	210	190	204	202	219	219	217	214	214	214
Egg-feed price ratio (lb.) <sup>4</sup> . . . . .	6.0	6.1	6.1	6.0	7.6	8.8	8.6	7.4	8.5	8.4
<b>Stocks, first of month</b>										
Shell (thou. cases) . . . . .	31	34	34	23	18	13	28	17	36	35
Frozen (mil. lb.) . . . . .	24.3	23.7	25.4	22.5	13.4	11.8	11.0	11.4	12.0	12.7
Replacement chicks hatched (mil.) . . . . .	454	444	407	38.3	34.4	36.8	37.7	45.1	47.2	48.8

<sup>1</sup> 12-city composite weighted average beginning April 25, 1983. <sup>2</sup> Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight.

<sup>3</sup> Price of cartoned eggs to volume buyers for delivery to retailers. <sup>4</sup> Not reported.

## Wool

	Annual			1983		1984				
	1981	1982	1983	May	Dec	Jan	Feb	Mar	Apr	May
U.S. wool price, Boston <sup>1</sup> (cts./lb.) . . . . .	278	247	212	193	228	230	230	230	245	234
Imported wool price, Boston <sup>2</sup> (cts./lb.) . . . . .	292	262	248	247	247	247	254	257	252	248
<b>U.S. mill consumption, scoured</b>										
Apparel wool (thou. lb.) . . . . .	127,752	105,857	132,404	9,926	12,363	11,194	12,719	14,254	12,037	n.a.
Carpet wool (thou. lb.) . . . . .	10,896	9,825	11,907	1,011	851	844	814	1,034	1,070	n.a.

<sup>1</sup> Wool price delivered at U.S. mills, clean basis. Graded Territory 64's (20.60-22.04 microns) staple 2 1/4" and up. <sup>2</sup> Wool price delivered at U.S. mills, clean basis, Australian 60/62's, type 64A (24 micron). Duty since 1982 has been 10.0 cents. n.a. = not available.

## Dairy

	Annual			1983		1984				
	1981	1982	1983	May	Dec	Jan	Feb	Mar	Apr	May
<b>Milk prices, Minnesota-Wisconsin,</b>										
3.5% fat (\$/cwt.) <sup>1</sup>	12.57	12.48	12.49	12.51	12.11	12.05	12.06	12.08	12.07	12.08
Price of 16% dairy ration (\$/ton)	192	177	188	184	205	205	201	199	199	197
Milk-feed price ratio (lb.) <sup>2</sup>	1.43	1.54	1.45	1.45	1.34	1.34	1.34	1.33	1.32	1.31
<b>Wholesale prices</b>										
Butter, Grade A Chk. (cts./lb.)	148.0	147.7	147.3	147.2	143.1	140.4	141.2	142.1	142.9	142.9
Am. cheese, Wis. assembly pt. (cts./lb.)	139.4	138.3	138.3	137.4	136.7	135.8	135.5	135.9	135.9	135.9
Nonfat dry milk, (cts./lb.) <sup>3</sup>	93.1	93.2	93.2	93.4	91.1	90.7	90.7	90.7	90.7	90.7
<b>USDA net removals</b>										
Total milk equiv. (mil. lb.) <sup>4</sup>	12,860.9	14,281.6	16,813.5	1,971.3	920.0	1,889.0	1,398.2	1,037.9	944.0	1,090.2
Butter (mil. lb.)	351.5	382.0	413.2	55.5	19.0	61.2	47.2	28.2	19.2	22.2
Am. cheese (mil. lb.)	563.0	642.5	832.8	83.0	52.9	62.5	42.4	45.7	55.1	83.1
Nonfat dry milk (mil. lb.)	851.3	948.1	1,061.0	111.8	63.2	78.2	64.0	65.1	71.1	86.8
<b>Milk</b>										
Total milk production (mil. lb.)	133,013	135,802	139,968	12,642	11,395	11,490	10,905	11,741	11,674	12,283
Milk per cow (lb.)	12,177	12,309	12,587	1,138	1,022	1,039	995	1,078	1,075	1,132
Number of milk cows (thou.)	10,923	11,033	11,120	11,107	11,146	11,064	10,958	10,890	10,856	10,851
<b>Stocks, beginning</b>										
Total milk equiv. (mil. lb.) <sup>4</sup>	12,958	18,377	20,054	22,884	23,019	22,646	22,917	23,576	23,610	23,192
Commercial (mil. lb.)	5,752	6,398	4,603	5,360	5,109	5,234	5,216	5,303	5,348	5,261
Government (mil. lb.)	7,207	12,980	15,451	17,524	17,911	17,412	17,700	18,273	18,262	18,062
Imports, total equiv. (mil. lb.) <sup>4</sup>	2,329	2,477	2,616	203	368	247	150	171	223	n.a.
<b>Commercial disappearance</b>										
milk equiv. (mil. lb.)	120,531	122,443	122,790	10,684	10,520	9,668	9,384	10,632	10,848	n.a.
<b>Butter</b>										
Production (mil. lb.)	1,228.2	1,257.0	1,299.2	120.7	109.6	126.0	113.0	111.1	106.2	n.a.
Stocks, beginning (mil. lb.)	304.6	429.2	466.8	555.7	506.7	499.4	510.6	532.5	529.3	532.4
Commercial disappearance (mil. lb.)	869.2	897.3	881.7	68.9	88.5	61.9	59.3	85.7	87.3	n.a.
<b>American cheese</b>										
Production (mil. lb.)	2,642.3	2,752.3	2,927.8	284.7	236.8	231.1	221.4	247.6	250.3	n.a.
Stocks, beginning (mil. lb.)	591.5	889.1	981.4	1,068.8	1,183.7	1,161.5	1,165.2	1,187.2	1,198.6	1,161.4
Commercial disappearance (mil. lb.)	2,147.9	2,166.8	2,083.2	203.0	177.8	181.5	184.3	191.2	208.0	n.a.
<b>Other cheese</b>										
Production (mil. lb.)	1,635.3	1,789.4	1,890.8	154.7	178.6	156.3	147.7	165.3	165.0	n.a.
Stocks, beginning (mil. lb.)	99.3	86.6	82.8	100.5	104.2	104.9	105.4	103.4	100.2	101.0
Commercial disappearance (mil. lb.)	1,875.6	2,044.6	2,133.3	171.5	217.6	176.1	165.1	186.2	185.8	n.a.
<b>Nonfat dry milk</b>										
Production (mil. lb.)	1,314.3	1,400.5	1,499.9	153.6	111.1	111.9	105.0	109.2	113.8	n.a.
Stocks, beginning (mil. lb.)	586.8	889.7	1,282.0	1,324.8	1,373.0	1,394.9	1,413.3	1,404.3	1,421.0	1,442.6
Commercial disappearance (mil. lb.)	464.1	447.7	459.9	32.6	36.9	44.4	44.4	48.2	34.7	n.a.
<b>Frozen dessert production (mil. gal.)<sup>5</sup></b>										
	1,167.7	1,178.2	1,221.5	112.5	77.2	74.7	89.5	106.9	102.3	n.a.

<sup>1</sup>Manufacturing grade milk. <sup>2</sup>Pounds of 16% protein ration equal in value to 1 pound of milk. <sup>3</sup>Prices paid f.o.b. Central States production area, high heat spray process. <sup>4</sup>Milk-equivalent, fat-solids basis. <sup>5</sup>Ice cream, ice milk, and sherbet. n.a. = not available.

# Meat animals

	Annual			1983		1984				
	1981	1982	1983	May	Dec	Jan	Feb	Mar	Apr	May
<b>Cattle on feed (7-States)</b>										
Number on feed (thou. head) <sup>1</sup>	7,863	7,201	8,316	7,221	7,814	8,006	7,917	7,515	7,568	7,376
Placed on feed (thou. head)	17,814	20,261	19,727	1,838	1,736	1,566	1,301	1,764	1,515	1,798
Marketings (thou. head)	17,198	18,007	18,660	1,578	1,425	1,569	1,821	1,594	1,523	1,637
Other disappearance (thou. head)	1,263	1,139	1,354	150	119	86	82	117	184	219
Beef steer-corn price ratio, Omaha (bu.) <sup>2</sup>	22.2	26.5	20.6	21.8	19.8	21.6	22.1	21.1	20.4	19.7
Hog-corn price ratio, Omaha (bu.) <sup>2</sup>	15.5	22.9	15.9	15.2	14.5	16.0	15.3	14.5	14.5	14.3
<b>Market prices (\$ per cwt.)</b>										
<b>Slaughter cattle:</b>										
Choice steers, Omaha	63.84	64.30	62.52	67.51	62.85	67.08	67.07	68.60	67.86	65.89
Utility cows, Omaha	41.93	39.96	39.35	42.98	33.58	33.26	39.69	44.01	42.88	42.17
Choice vealers, S. St. Paul	77.16	77.70	72.97	76.00	67.50	64.94	77.50	77.50	77.50	78.00
<b>Feeder cattle:</b>										
Choice, Kansas City, 600-700 lb.	66.24	64.82	63.70	67.62	63.65	65.06	66.45	67.42	67.51	65.70
<b>Slaughter hogs:</b>										
Barrows and gilts, 7-markets	44.45	55.44	47.71	47.02	46.37	49.91	46.31	46.83	48.30	48.06
<b>Feeder pigs:</b>										
S. Mo. 40-50 lb. (per head)	35.40	51.14	33.96	35.14	27.65	33.61	43.48	50.12	51.08	42.85
<b>Slaughter sheep and lambs:</b>										
Lambs, Choice, San Angelo	58.40	56.44	57.40	60.62	60.50	60.62	58.75	58.50	65.88	63.50
Ewes, Good, San Angelo	26.15	21.80	16.85	14.94	18.33	20.00	30.40	22.88	22.25	13.45
<b>Feeder lambs:</b>										
Choice, San Angelo	56.86	52.97	54.87	56.62	60.00	59.50	60.15	60.00	65.75	57.00
<b>Wholesale meat prices, Midwest</b>										
Choice steer beef, 600-700 lb.	99.84	101.31	97.83	105.00	99.82	105.74	102.86	105.14	103.50	99.62
Canner and Cutter cow beef	64.06	78.96	78.48	83.67	70.41	70.63	79.45	83.62	80.51	75.85
Pork loins, 8-14 lb. <sup>3</sup>	96.56	111.51	—	100.58	—	104.36	94.68	88.75	91.86	95.31
Pork bellies, 12-14 lb.	52.29	76.54	60.58	60.80	54.59	65.03	54.68	56.04	58.28	57.38
Hams, skinned, 14-17 lb.	77.58	91.47	75.60	66.29	88.11	70.44	68.80	78.00	77.52	74.44
<b>Commercial slaughter (thou. head)*</b>										
Cattle	34,953	35,843	36,649	2,957	3,161	3,107	2,971	3,090	2,854	3,300
Steers	17,508	17,277	17,486	1,473	1,482	1,465	1,432	1,514	1,400	1,629
Heifers	10,027	10,394	10,758	847	852	818	826	868	782	896
Cows	6,643	7,354	7,597	567	772	775	659	646	628	702
Bulls and stags	775	818	808	70	55	49	54	62	64	73
Calves	2,798	3,021	3,076	214	284	277	255	285	249	255
Sheep and lambs	6,008	6,449	6,619	527	551	553	581	600	616	574
Hogs	91,575	82,190	87,584	7,118	7,812	7,188	6,812	7,802	7,161	7,366
<b>Commercial production (mil. lb.)</b>										
Beef	22,214	22,366	23,060	1,859	1,965	1,913	1,858	1,937	1,776	2,059
Veal	415	423	428	32	37	39	36	40	36	39
Lamb and mutton	327	356	367	30	30	31	32	35	34	31
Pork	15,716	14,121	15,117	1,243	1,350	1,234	1,165	1,338	1,233	1,281
	Annual			1983				1984		
	1981	1982	1983	I	II	III	IV	I	II	III
<b>Cattle on feed (13-States)</b>										
Number on feed (thou. head) <sup>1</sup>	9,845	9,028	10,271	10,271	9,153	9,070	8,465	9,908	9,340	—
Placed on feed (thou. head)	21,929	24,415	23,756	5,027	5,894	5,583	7,252	5,511	—	—
Marketings (thou. head)	21,219	21,799	22,528	5,694	5,527	5,891	5,416	5,714	5,690	—
Other disappearance (thou. head)	1,527	1,373	1,591	451	450	297	393	365	—	—
<b>Hogs and pigs (10-States)<sup>4</sup></b>										
Inventory (thou. head) <sup>1</sup>	45,970	42,440	43,430	42,440	41,840	45,250	45,880	43,430	39,820	41,330
Breeding (thou. head) <sup>1</sup>	6,021	5,670	5,605	5,670	5,928	6,224	5,829	5,605	5,392	5,735
Market (thou. head) <sup>1</sup>	39,949	36,770	37,825	36,770	35,912	39,026	40,051	37,825	34,428	35,595
Farrowings (thou. head) <sup>1</sup>	9,821	8,930	9,628	2,090	2,768	2,400	2,370	1,926	2,462	2,209
Pig crop (thou. head)	72,581	65,767	71,892	15,543	21,063	17,675	17,611	13,988	18,677	—

<sup>1</sup> Beginning of period. <sup>2</sup> Bushels of corn equal in value to 100 pounds liveweight. <sup>3</sup> Beginning January 1984 prices are for 14-17 lbs. <sup>4</sup> Quarters are Dec. preceding year-Feb. (I), Mar.-May (II), June-Aug. (III), and Sept.-Nov. (IV). <sup>5</sup> Intentions. <sup>6</sup> Classes estimated.



# Crops and Products

## Food grains

	Marketing year <sup>1</sup>			1983		1984				
	1980/81	1981/82	1982/83	May	Dec	Jan	Feb	Mar	Apr	May
<b>Wholesale prices</b>										
Wheat, No. 1 HRW, Kansas City (\$/bu.) <sup>2</sup>	4.45	4.27	3.94	4.05	3.85	3.81	3.71	3.85	3.93	3.72
Wheat, DNS, Minneapolis (\$/bu.) <sup>2</sup>	4.46	4.17	3.94	4.25	4.21	4.15	4.06	4.20	4.28	4.39
Rice, S.W. La. (\$/cwt.) <sup>3</sup>	25.95	20.20	18.00	18.50	19.50	19.50	19.25	19.25	19.25	19.25
<b>Wheat</b>										
Exports (mil. bu.)	1,514	1,771	1,509	n.a.	131	121	116	129	105	n.a.
Mill grind (mil. bu.)	643	631	656	n.a.	55	56	58	58	n.a.	n.a.
Wheat flour production (mil. cwt.)	290	280	292	n.a.	24	25	26	26	n.a.	n.a.
	Marketing year <sup>1</sup>			1982		1983			1984	
	1980/81	1981/82	1982/83	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar
<b>Wheat</b>										
Stocks, beginning (mil. bu.)	902	989	1,164	1,164	2,987	2,521	1,877	1,541	2,966	2,326
<b>Domestic use</b>										
Food (mil. bu.)	610	602	616	206	162	151	97	210	161	156
Feed and seed (mil. bu.) <sup>4</sup>	166	254	318	238	14	53	12	316	118	50
Exports (mil. bu.)	1,514	1,771	1,509	546	293	442	228	475	362	364

<sup>1</sup> Beginning June 1 for wheat and August 1 for rice. <sup>2</sup> Ordinary protein. <sup>3</sup> Long-grain, milled basis. <sup>4</sup> Feed use approximated by residual. n.a. = not available.

## Feed grains

	Marketing year <sup>1</sup>			1983		1984				
	1980/81	1981/82	1982/83	May	Dec	Jan	Feb	Mar	Apr	May
<b>Wholesale prices</b>										
Corn, No. 2 yellow, St. Louis (\$/bu.)	3.35	2.61	2.98	3.24	3.45	3.41	3.31	3.55	3.61	3.58
Sorghum, No. 2 yellow, Kansas City (\$/cwt.)	5.36	4.29	4.96	5.37	5.15	5.09	5.03	5.40	5.36	5.39
Barley, feed, Minneapolis (\$/bu.)	2.60	2.21	1.76	1.95	2.39	2.55	2.56	2.65	2.74	2.77
Barley, malting, Minneapolis (\$/bu.)	3.64	3.06	2.53	2.76	2.77	2.85	2.76	2.91	3.04	3.06
<b>Exports</b>										
Corn (mil. bu.)	2,355	1,967	1,870	150	176	173	159	177	175	164
Feed grains (mil. metric tons) <sup>2</sup>	69.4	58.4	54.0	5.8	5.3	5.3	4.8	5.4	5.0	4.6
	Marketing year <sup>1</sup>			1982		1983			1984	
	1980/81	1981/82	1982/83	Oct-Dec	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May p
<b>Corn</b>										
Stocks, beginning (mil. bu.)	1,618	1,034	2,174	2,174	8,205	6,198	4,924	3,120	4,907	3,248
<b>Domestic use:</b>										
Feed (mil. bu.)	4,133	4,202	4,522	1,489	1,330	813	891	1,630	968	603
Food, seed, ind. (mil. bu.)	735	812	898	203	169	153	373	220	183	172
<b>Feed grains<sup>3</sup></b>										
Stocks, beginning (mil. metric tons)	52.4	34.6	68.2	68.2	247.9	188.8	149.5	97.3	159.7	107.8
<b>Domestic use:</b>										
Feed (mil. metric tons)	123.0	128.5	139.5	48.7	39.2	25.8	25.8	51.1	30.7	18.8
Food, seed, ind. (mil. metric tons)	23.9	25.8	28.0	6.7	5.3	5.1	10.9	7.2	5.7	6.0

<sup>1</sup> Beginning October 1 for corn and sorghum; June 1 for oats and barley. <sup>2</sup> Aggregated data for corn, sorghum, oats, and barley.

## Fats and oils

	Marketing year <sup>1</sup>			1983		1984				
	1981/82	1982/83	1983/84 F	May	Dec	Jan	Feb	Mar	Apr	May
<b>Soybeans</b>										
Wholesale price, No. 1 yellow, Chicago (\$/bu.) <sup>2</sup>	6.24	6.11	7.90	6.26	7.88	7.53	7.21	7.80	7.87	8.54
Crushings (mil. bu.)	1,029.7	1,108.0	970	83.7	89.5	93.8	79.2	86.1	74.6	79.3
Exports (mil. bu.)	929.1	905.2	760	58.5	74.5	80.4	79.7	78.8	68.5	n.a.
<b>Soybean oil</b>										
Wholesale price, crude, Decatur (cts./lb.)	19.0	20.6	33	19.8	27.3	28.3	27.2	30.1	32.1	39.0
Production (mil. lb.)	10,979.4	12,040.4	10,689	908.8	991.0	1,052.5	896.9	972.7	846.6	906.3
Domestic disappearance (mil. lb.)	9,536.3	9,857.3	9,600	830.0	636.8	910.9	931.3	780.1	781.6	n.a.
Exports (mil. lb.)	2,076.3	2,024.7	1,650	127.5	95.5	161.3	289.9	258.9	203.1	n.a.
Stocks, beginning (mil. lb.)	1,736.1	1,102.5	1,261	1,600.4	1,660.6	1,919.2	1,907.0	1,582.8	1,519.6	n.a.
<b>Soybean meal</b>										
Wholesale price, 44% protein, Decatur (\$/ton)	182.52	187.19	200	185.75	216.6	201.9	184.40	196.40	190.00	187.40
Production (thou. ton)	24,634.4	26,713.6	22,491	1,992.7	2,122.6	2,220.0	1,872.2	2,029.2	1,760.3	1,872.2
Domestic disappearance (thou. ton)	17,714.4	19,306.0	17,300	1,548.5	1,533.7	1,447.7	1,323.3	1,429.9	1,409.4	n.a.
Exports (thou. ton)	6,907.5	7,108.7	5,450	458.8	664.7	687.6	578.0	580.8	400.1	n.a.
Stocks, beginning (thou. ton)	162.7	175.2	474	356.1	466.8	391.0	475.8	446.7	460.7	418.6
Margarine, wholesale price, Chicago (cts./lb.)	41.4	46.3	n.a.	42.4	48.3	53.3	52.5	53.2	55.2	61.1

<sup>1</sup> Beginning September 1 for soybeans; October 1 for soybean meal and oil; calendar year for margarine. <sup>2</sup> Beginning April 1, 1982, prices based on 30-day delivery, using upper end of the range. n.a. = not available. F = Forecast.

## Cotton

	Marketing year <sup>1</sup>			1983		1984				
	1980/81	1981/82	1982/83	May	Dec	Jan	Feb	Mar	Apr	May
U.S. price, SLM, 1-1/16 in. (cts./lb.) <sup>2</sup>	83.0	60.5	63.1	66.88	73.0	70.6	71.4	74.89	75.6	79.44
<b>Northern Europe prices</b>										
Index (cts./lb.) <sup>3</sup>	93.3	73.8	76.7	81.96	89.4	87.6	87.4	88.43	88.9	88.88
U.S. M 1-3/32" (cts./lb.) <sup>4</sup>	n.a.	75.9	78.0	80.63	89.3	85.5	85.4	88.20	89.6	91.25
U.S. mill consumption (thou. bales)	5,870.5	5,263.8	5,512.8	462.3	490.4	488.2	464.8	568.6	450.2	461.2
Exports (thou. bales)	5,925.8	6,567.3	5,206.8	483.6	663.2	695.9	758.5	946.8	762.6	—

<sup>1</sup> Beginning August 1. <sup>2</sup> Average spot market. <sup>3</sup> Liverpool Outlook "A" Index; average of five lowest priced of 10 selected growths. <sup>4</sup> Memphis territory growths. n.a. = not available.

## Fruit

	Annual			1983		1984				
	1981	1982	1983	May	Dec	Jan	Feb	Mar	Apr	May
<b>Producer price indexes</b>										
Fresh fruit (1967=100)	226.7	235.4	250.6	231.9	258.9	232.9	232.2	320.3	213.2	239.4
Dried fruit (1967=100)	405.9	409.7	409.3	412.0	405.2	404.2	404.6	405.5	408.8	404.5
Canned fruit and juice (1967=100)	273.8	283.7	286.8	284.1	293.9	301.0	311.0	310.5	309.4	313.6
Frozen fruit and juice (1967=100)	302.8	305.5	300.9	302.3	301.8	308.2	339.9	341.9	349.9	351.9
<b>F.o.b. shipping point prices</b>										
Apples, Yakima Valley (\$/ctn.) <sup>1</sup>	n.a.	n.a.	n.a.	*10.94	10.50	10.75	*12.25	*12.30	*12.38	*12.50
Pears, Yakima Valley (\$/box) <sup>2</sup>	n.a.	n.a.	n.a.	*12.63	10.33	9.88	8.58	6.56	*7.63	*6.88
Oranges, U.S. avg. (\$/box) <sup>3</sup>	11.30	14.10	14.40	9.94	12.55	12.90	12.30	11.00	12.09	13.76
Grapefruit, U.S. avg. (\$/box) <sup>3</sup>	10.10	9.36	9.13	9.42	8.02	9.90	9.70	9.96	10.43	10.78
	Year ending			1983		1984				
	1981	1982	1983	May	Dec	Jan	Feb	Mar	Apr	May
<b>Stocks, ending</b>										
Fresh apples (mil. lb.)	2,676.1	3,082.3	2,980.6	426.7	2,980.1	2,460.5	1,887.5	1,354.4	912.2	396.7
Fresh pears (mil. lb.)	207.9	180.9	250.6	18.2	250.6	211.7	172.7	122.2	80.6	36.8
Frozen fruit (mil. lb.)	545.6	627.5	643.1	356.2	644.7	616.5	534.5	479.9	444.4	387.3
Frozen fruit juices (mil. lb.)	1,127.2	1,157.6	938.1	1,775.2	924.9	1,088.2	1,309.9	1,396.2	1,374.7	1,429.6

<sup>1</sup> Red Delicious, Washington, extra fancy, carton tray pack, 80-113's. <sup>2</sup> D'Anjou, Washington, standard box wrapped, U.S. No. 1, 90-135's. <sup>3</sup> F.O.B. packed fresh. <sup>4</sup> Control atmosphere storage. n.a. = not available.

## Vegetables

	Annual			1983		1984				
	1981	1982	1983	May	Dec	Jan	Feb	Mar	Apr	May
<b>Wholesale prices</b>										
Potatoes, white, f.o.b. East (\$/cwt.) . . .	9.39	6.05	7.76	6.30	8.60	9.19	9.23	7.96	8.66	7.05
Iceberg lettuce (\$/crtm.) <sup>1</sup> . . . . .	5.27	5.92	6.29	7.50	7.25	4.03	4.27	4.13	3.12	3.17
Tomatoes (\$/crtm.) <sup>2</sup> . . . . .	9.06	7.40	8.69	9.73	5.14	13.85	15.25	11.95	8.60	7.75
<b>Wholesale price index, 10 canned</b>										
veg. (1967=100) . . . . .	235	239	235	231	246	242	247	249	249	246
<b>Grower price index, fresh commercial</b>										
veg. (1977=100) . . . . .	135	120	129	141	150	171	178	160	136	106

<sup>1</sup> Std. carton 24's f.o.b. shipping point. <sup>2</sup> 6 x 6-6 x 6, f.o.b. Fla-Cal.

## Sugar

	Annual			1983		1984				
	1981	1982	1983	May	Dec	Jan	Feb	Mar	Apr	May
U.S. raw sugar price, N.Y. (cts./lb.) <sup>1</sup> . . .	19.73	19.92	22.04	22.59	21.47	21.51	21.90	22.00	22.03	22.01
U.S. deliveries (thou. short tons) <sup>2 3</sup> . . .	9,731	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

<sup>1</sup> Spot price reported by N.Y. Coffee and Sugar Exchange. Reporting resumed in mid-August 1979 after being suspended November 3, 1977. <sup>2</sup> Raw value. <sup>3</sup> Excludes Hawaii. n.a. = not available.

## Tobacco

	Annual			1983		1984				
	1981	1982	1983 p <sup>1</sup>	May	Dec	Jan	Feb	Mar	Apr	May
<b>Prices at auctions</b>										
Flue-cured (cts./lb.) <sup>1</sup> . . . . .	166.4	178.6	177.9	—	—	—	—	—	—	—
Burley (cts./lb.) <sup>1</sup> . . . . .	180.6	180.3	179.5	—	177.0	174.5	170.5	—	—	—
<b>Domestic consumption<sup>2</sup></b>										
Cigarettes (bil.) . . . . .	640.0	633.0	603.0	47.9	43.2	49.9	44.8	50.8	n.a.	n.a.
Large cigars (mil.) . . . . .	3,893	3,607	3,565	303.4	280.8	276.2	257.5	297.8	n.a.	n.a.

<sup>1</sup> Crop Year July-June for flue-cured, October-September for burley. <sup>2</sup> Taxable removals. n.a. = not available.

## Coffee

	Annual			1983		1984				
	1981	1982	1983 p	May	Dec	Jan	Feb	Mar	Apr p	May p
Composite green price, N.Y. (cts./lb.) . . .	122.10	132.00	131.51	127.62	145.09	143.75	145.02	146.13	145.46	147.76
Imports, green bean equivalent (mil.lb.) <sup>1</sup> .	2,248	2,352	2,260	172	173	226	180	200	260	175F
	Annual			1982		1983		1984		
	1981	1982	1983 p	Oct-Dec	Jan-Mar	Apr-June	July-Sept	Oct-Dec	Jan-Mar p	Apr-June F
Roastings (mil. lb.) <sup>2</sup> . . . . .	2,324	2,293	2,238	674	554	486	549	650	575	510

<sup>1</sup> Green and processed coffee. <sup>2</sup> Instant soluble and roasted coffee. F = Forecast. p = preliminary.

# Supply and Utilization: Crops

## Supply and utilization: domestic measure<sup>1</sup>

	Area		Yield	Production	Total supply <sup>2</sup>	Feed and residual	Other domestic use	Exports	Total use	Ending stocks	Farm price <sup>3</sup>
	Planted	Harvested									
	Mil. acres		Bu/acre				Mil. bu				\$/bu
<b>Wheat</b>											
1980/81	80.6	71.0	33.4	2,374	3,279	51	725	1,514	2,290	989	3.91
1981/82	88.9	81.0	34.5	2,799	3,791	142	714	1,771	2,827	1,164	3.65
1982/83*	86.2	77.9	35.5	2,765	3,932	195	713	1,509	2,417	1,515	3.55
1983/84*	76.4	61.4	39.4	2,420	3,938	392	727	1,425	2,544	1,394	3.50
1984/85*	—	—	—	2,525	3,922	375	725	1,350	2,450	1,472	3.20-3.50
	Mil. acres		lb/acre				Mil. cwt (rough equiv.)				\$/cwt
<b>Rice</b>											
1980/81	3.38	3.31	4,413	146.2	172.1	79.7	54.5	91.4	155.6	16.6	12.80
1981/82	3.83	3.79	4,819	182.7	199.6	79.0	59.6	82.0	150.6	49.0	9.05
1982/83*	3.30	3.26	4,710	153.6	203.3	76.9	54.0	68.9	131.8	71.5	8.11
1983/84*	2.19	2.17	4,598	99.7	171.9	77.0	60.0	62.0	129.0	42.9	8.65
1984/85*	—	—	—	150.0	194.0	79.0	62.0	62.0	133.0	61.0	7.75-9.25
	Mil. acres		Bu/acre				Mil. bu				\$/bu
<b>Corn</b>											
1980/81	84.0	73.0	91.0	6,639	8,258	4,133	735	2,355	7,223	1,034	3.11
1981/82	84.1	74.5	108.9	8,119	9,154	4,202	812	1,967	8,980	2,174	2.50
1982/83*	81.9	72.7	113.2	8,235	10,410	4,522	898	1,870	7,290	3,120	2.68
1983/84*	80.2	51.4	81.0	4,166	7,287	3,925	950	1,900	6,775	512	3.25
1984/85*	—	—	—	7,925	8,438	4,150	1,025	2,025	7,200	1,238	2.60-3.05
	Mil. acres		Bu/acre				Mil. bu				\$/bu
<b>Sorghum</b>											
1980/81	15.8	12.5	46.3	579	726	301	11	305	617	109	2.94
1981/82	18.0	13.7	64.0	876	984	428	11	249	688	296	2.39
1982/83*	16.1	14.1	59.1	835	1,131	507	10	214	731	400	2.52
1983/84*	11.7	9.8	48.7	479	879	390	10	225	625	254	2.85
1984/85*	—	—	—	726	980	425	10	200	635	345	2.35-2.75
	Mil. acres		Bu/acre				Mil. bu				\$/bu
<b>Barley</b>											
1980/81	8.3	7.3	49.7	361	563	174	175	77	426	137	2.86
1981/82	9.6	9.0	52.4	474	620	198	174	100	473	148	2.45
1982/83*	9.5	9.0	57.2	516	675	240	170	47	458	217	2.23
1983/84*	10.4	9.7	52.3	508	732	283	170	90	543	189	2.45
1984/85*	—	—	—	524	713	225	175	70	470	253	2.25-2.55
	Mil. acres		Bu/acre				Mil. bu				\$/bu
<b>Oats</b>											
1980/81	13.4	8.7	53.0	458	697	432	74	13	520	177	1.79
1981/82	13.6	9.4	54.2	510	688	453	76	8	536	152	1.89
1982/83*	14.0	10.3	57.8	593	749	441	85	3	529	220	1.48
1983/84*	20.3	9.1	52.6	477	725	461	80	3	544	181	1.65
1984/85*	—	—	—	512	685	435	80	5	520	174	1.45-1.70
	Mil. acres		Bu/acre				Mil. bu				\$/bu
<b>Soybeans</b>											
1980/81	70.0	67.9	26.4	1,792	2,151	489	1,020	724	1,833	318	7.57
1981/82	67.8	66.4	30.1	2,000	2,318	493	1,030	929	2,052	266	6.04
1982/83*	70.9	69.4	31.5	2,190	2,444	486	1,108	905	2,099	345	5.69
1983/84*	63.1	61.8	25.3	1,567	1,912	477	970	760	1,807	105	7.90
1984/85*	—	—	—	2,075	2,180	490	1,040	835	1,965	215	6.00-8.50
							Mil. lbs				c/lb
<b>Soybean oil</b>											
1980/81	—	—	—	11,270	12,480	—	9,113	1,631	10,744	1,736	22.7
1981/82	—	—	—	10,979	12,715	—	9,535	2,077	11,612	1,103	19.0
1982/83*	—	—	—	12,041	13,144	—	9,858	2,025	11,863	1,261	20.6
1983/84*	—	—	—	10,689	11,950	—	9,600	1,650	11,250	700	33.0
1984/85*	—	—	—	11,450	12,150	—	9,800	1,550	11,350	800	26.0-33.0
							Thou. tons				\$/ton
<b>Soybean meal</b>											
1980/81	—	—	—	24,312	24,538	—	17,591	6,784	24,375	163	218.2
1981/82	—	—	—	24,634	24,797	—	17,714	6,908	24,622	175	183
1982/83*	—	—	—	26,714	26,889	—	19,306	7,109	26,415	474	187
1983/84*	—	—	—	22,491	22,965	—	17,300	5,450	22,750	215	200
1984/85*	—	—	—	24,750	24,965	—	18,300	8,300	24,600	365	160-200

See footnotes at end of table.



# Supply and utilization—domestic measure, continued

	Area		Yield	Production	Total supply <sup>2</sup>	Feed and residual	Other domestic use	Exports	Total use	Ending stocks	Farm price <sup>3</sup>
	Planted	Harvested									
		Mil. acres		lb/acre							
Cotton											
1980/81 . . . . .	14.5	13.2	404	11.1	14.1	—	5.9	5.9	11.8	\$2.7	74.7
1981/82 . . . . .	14.3	13.8	543	15.6	18.3	—	5.3	6.6	11.8	\$6.6	54.3
1982/83* . . . . .	11.3	9.7	590	12.0	18.7	—	5.5	5.2	10.7	\$7.9	59.4
1983/84* . . . . .	7.9	7.4	506	7.8	15.8	—	5.9	7.0	12.9	\$2.9	66.6
1984/85* . . . . .	—	—	—	11.5	14.5	—	5.7	5.5	11.3	\$3.2	—

# Supply and utilization—metric measure<sup>6</sup>

	Mil. hectares		Metric tons/ha	Mil. metric tons							\$/metric ton	
Wheat												
1980/81 . . . . .	32.6	28.7	2.25	64.6	89.2	1.4	19.7	41.2	62.3	26.9	144	
1981/82 . . . . .	36.0	32.8	2.32	76.2	103.2	3.9	19.4	48.2	71.5	31.7	134	
1982/83* . . . . .	35.4	32.0	2.39	70.2	107.0	6.0	19.4	41.1	66.5	41.2	130	
1983/84* . . . . .	31.1	24.9	2.65	65.9	107.2	12.2	19.8	38.1	70.1	37.9	129	
1984/85* . . . . .	—	—	—	68.7	106.7	10.9	19.7	36.7	67.3	40.1	118-129	
Mil. metric tons (rough equiv.)												
Rice												
1980/81 . . . . .	1.4	1.3	4.95	6.6	7.8	0.4	2.5	4.2	7.1	0.7	282	
1981/82 . . . . .	1.5	1.5	5.40	8.3	9.0	0.4	2.7	3.7	6.8	2.2	200	
1982/83* . . . . .	1.3	1.3	5.28	7.0	9.2	0.4	2.5	3.1	6.0	3.2	179	
1983/84* . . . . .	0.9	0.9	5.15	4.5	7.8	0.3	2.7	2.8	5.9	1.9	191	
1984/85* . . . . .	—	—	—	6.8	6.8	0.4	2.8	2.8	6.0	2.8	171-204	
Mil. metric tons												
Corn												
1980/81 . . . . .	34.0	29.5	5.72	168.6	209.7	105.0	18.7	59.8	183.5	26.3	122	
1981/82 . . . . .	34.0	30.1	6.85	206.2	232.5	106.7	20.6	50.0	177.3	55.2	98	
1982/83* . . . . .	33.1	29.4	7.46	219.2	264.4	114.9	22.8	47.5	185.2	79.3	106	
1983/84* . . . . .	24.4	20.8	5.09	105.8	185.1	99.7	24.1	48.3	172.1	13.0	128	
1984/85* . . . . .	—	—	—	201.3	214.3	105.4	26.0	51.4	182.9	31.4	102-120	
Feed Grain												
1980/81 . . . . .	49.1	41.1	4.82	198.0	250.7	123.0	23.8	69.3	216.1	34.6	—	
1981/82 . . . . .	49.9	43.1	5.71	246.2	281.1	128.5	25.8	58.5	212.9	68.2	—	
1982/83* . . . . .	49.1	42.9	5.83	250.2	318.7	139.4	28.0	54.0	221.4	97.3	—	
1983/84* . . . . .	41.5	32.4	4.20	136.0	233.9	122.5	29.2	56.0	207.7	26.2	—	
1984/85* . . . . .	—	—	—	238.6	265.1	127.4	31.3	58.1	216.8	48.3	—	
Soybeans												
1980/81 . . . . .	28.3	27.5	1.78	48.8	58.5	2.4	27.8	19.7	49.9	8.7	278	
1981/82 . . . . .	27.4	26.9	2.03	54.4	63.1	2.5	28.0	25.3	55.8	7.2	222	
1982/83* . . . . .	28.7	28.1	2.15	59.6	66.5	2.4	30.2	24.6	57.1	9.4	209	
1983/84* . . . . .	25.5	25.0	1.73	42.6	52.0	2.1	26.4	20.7	49.2	2.9	290	
1984/85* . . . . .	—	—	—	56.5	59.3	2.4	28.3	22.7	53.6	5.9	220-312	
Soybean oil												
1980/81 . . . . .	—	—	—	5.11	5.66	—	4.13	.74	4.87	.79	500	
1981/82 . . . . .	—	—	—	4.98	5.77	—	4.33	.94	5.27	.50	419	
1982/83* . . . . .	—	—	—	5.46	5.96	—	4.47	.92	5.39	.57	454	
1983/84* . . . . .	—	—	—	4.85	5.42	—	4.35	.75	5.10	.32	728	
1984/85* . . . . .	—	—	—	5.19	5.51	—	4.45	.70	5.15	.36	573-728	
Soybean meal												
1980/81 . . . . .	—	—	—	22.06	22.26	—	15.96	6.15	22.11	.15	241	
1981/82 . . . . .	—	—	—	22.36	22.51	—	16.08	6.27	22.35	.18	201	
1982/83* . . . . .	—	—	—	24.24	24.39	—	17.51	6.45	23.96	.43	206	
1983/84* . . . . .	—	—	—	20.40	20.83	—	15.69	4.94	20.64	.20	220	
1984/85* . . . . .	—	—	—	22.45	22.65	—	16.60	5.72	22.32	.33	176-220	
\$/kg												
Cotton												
1980/81 . . . . .	5.9	5.4	.45	2.42	3.07	—	1.28	1.28	2.56	\$.59	1.65	
1981/82 . . . . .	5.8	5.6	.61	3.41	3.99	—	1.15	1.43	2.58	\$1.44	1.20	
1982/83* . . . . .	4.6	3.9	.66	2.60	4.06	—	1.20	1.13	2.33	\$1.73	1.31	
1983/84* . . . . .	3.2	3.0	.57	1.69	3.44	—	1.29	1.52	2.81	\$.63	1.47	
1984/85* . . . . .	—	—	—	2.51	3.15	—	1.25	1.21	2.45	\$.69	—	

\* June 22, 1984 Supply and Demand Estimates. <sup>1</sup> Marketing year beginning June 1 for wheat, barley, and oats, August 1 for cotton and rice, September 1 for soybeans, and October 1 for corn, sorghum, soybean meal, and soybean oil. <sup>2</sup> Includes imports. <sup>3</sup> Season average. <sup>4</sup> Includes seed. <sup>5</sup> Upland and extra long staple. Stock estimates based on Census Bureau data which results in an unaccounted difference between supply and use estimates and changes in ending stocks. <sup>6</sup> Conversion factors: Hectare (ha.) = 2.471 acres, 1 metric ton = 2204.622 pounds, 36.7437 bushels of wheat or soybeans, 39.3679 bushels of corn or sorghum, 49.9296 bushels of barley, 69.8944 bushels of oats, 22.046 cwt. of rice, and 4.59 480-pound bales of cotton. <sup>7</sup> Statistical discrepancy.

# General Economic Data

## Gross national product and related data

	Annual			1983				1984
	1981	1982	1983	I	II	III	IV	I r
\$ bil. (Quarterly data seasonally adjusted at annual rates)								
<b>Gross national product<sup>1</sup></b> . . . . .	2,954.1	3,073.0	3,310.5	3,171.5	3,272.0	3,362.2	3,436.2	3,550.1
Personal consumption expenditures . . . . .	1,857.2	1,991.9	2,158.0	2,073.0	2,147.0	2,181.1	2,230.9	2,286.2
Durable goods . . . . .	236.1	244.5	279.4	258.5	277.7	282.8	298.6	315.1
Nondurable goods . . . . .	733.9	761.0	804.1	777.1	799.6	814.8	825.0	843.2
Clothing and shoes . . . . .	115.3	119.0	125.6	120.0	126.4	125.1	130.7	134.0
Food and beverages . . . . .	375.9	396.9	422.1	411.7	419.6	426.4	430.6	439.9
Services . . . . .	887.1	986.4	1,074.5	1,037.4	1,069.7	1,083.5	1,107.3	1,127.9
Gross private domestic investment . . . . .	474.9	414.5	471.9	404.1	450.1	501.1	532.5	604.6
Fixed investment . . . . .	456.5	439.1	478.4	443.5	464.6	492.5	512.8	533.5
Nonresidential . . . . .	352.2	348.3	348.4	332.1	336.3	351.0	374.0	385.7
Residential . . . . .	104.3	90.8	130.0	111.3	128.4	141.5	138.8	147.8
Change in business inventories . . . . .	18.5	-24.5	-6.4	-39.4	-14.5	8.5	19.6	71.0
Net exports of goods and services . . . . .	26.3	17.4	-9.0	17.0	-8.5	-18.3	-26.1	-48.2
Exports . . . . .	368.8	347.6	335.4	326.9	327.1	341.1	346.5	358.8
Imports . . . . .	342.5	330.2	344.4	309.9	335.6	359.4	372.6	407.0
Government purchases of goods and services . . . . .	595.7	649.2	689.6	677.4	683.4	698.3	699.0	707.6
Federal . . . . .	229.2	258.7	274.8	273.5	273.7	278.1	274.1	271.9
State and local . . . . .	366.5	390.5	414.7	404.0	409.7	420.2	424.9	435.7
1972 \$bil. (Quarterly data seasonally adjusted at annual rates)								
<b>Gross national product</b> . . . . .	1,513.8	1,485.4	1,535.3	1,490.1	1,526.1	1,553.4	1,572.5	1,609.3
Personal consumption expenditures . . . . .	956.8	970.2	1,011.4	986.7	1,010.6	1,016.0	1,032.2	1,048.3
Durable goods . . . . .	141.2	139.8	156.3	145.8	156.5	157.9	165.2	174.0
Nondurable goods . . . . .	362.5	364.2	376.1	368.9	374.7	378.1	382.5	387.3
Clothing and shoes . . . . .	83.2	84.4	87.3	84.7	88.4	86.1	90.0	92.7
Food and beverages . . . . .	181.8	184.0	191.0	188.2	189.4	193.1	193.5	192.4
Services . . . . .	453.1	466.2	479.0	472.0	479.4	480.1	484.4	486.9
Gross private domestic investment . . . . .	227.6	194.5	219.0	190.0	210.2	230.7	245.2	277.4
Fixed investment . . . . .	219.1	203.9	221.1	205.4	215.6	227.0	236.5	246.7
Nonresidential . . . . .	174.4	166.1	168.4	159.9	163.0	170.1	180.7	187.8
Residential . . . . .	44.7	37.8	52.7	45.5	52.6	56.8	55.8	59.2
Change in business inventories . . . . .	-8.5	-9.4	-2.1	-15.4	-5.4	3.8	8.7	30.7
Net exports of goods and services . . . . .	43.0	28.9	11.8	20.5	12.3	11.4	2.8	-7.5
Exports . . . . .	159.7	147.3	138.7	137.3	136.2	140.7	140.6	144.4
Imports . . . . .	116.7	118.4	126.9	116.8	123.9	129.2	137.8	151.9
Government purchases of goods and services . . . . .	286.5	291.8	293.1	292.9	292.1	295.2	292.3	291.0
Federal . . . . .	110.4	116.6	117.8	118.4	117.6	118.9	116.4	113.8
State and local . . . . .	176.1	175.2	175.3	174.5	174.5	176.3	175.9	177.2
<b>New plant and equipment expenditures (\$bil.)</b> . . . . .	321.49	316.43	302.50	293.03	293.46	304.70	318.83	332.66
<b>Implicit price deflator for GNP (1972=100)</b> . . . . .	195.14	206.88	215.63	212.83	214.55	216.44	218.53	220.60
<b>Disposable income (\$bil.)</b> . . . . .	2,047.6	2,176.5	2,335.6	2,255.9	2,301.0	2,361.7	2,423.9	2,504.9
<b>Disposable income (1972 \$bil.)</b> . . . . .	1,054.7	1,060.2	1,094.6	1,073.8	1,083.0	1,100.1	1,121.5	1,148.6
<b>Per capita disposable income (\$)</b> . . . . .	8,906	9,377	9,969	9,661	9,834	10,069	10,308	10,631
<b>Per capita disposable income (1972 \$)</b> . . . . .	4,587	4,567	4,672	4,599	4,629	4,690	4,769	4,875
<b>U.S. population, total, incl. military abroad (mil.)</b> . . . . .	230.0	232.3	234.5	233.7	234.2	234.8	235.4	235.9
<b>Civilian population (mil.)</b> . . . . .	227.9	230.1	232.3	231.5	232.0	232.6	233.2	233.7

See footnotes at end of next table.

Selected monthly indicators

	Annual			1983		1984				
	1981	1982	1983 p	May	Dec	Jan	Feb	Mar	Apr	May p
Monthly data seasonally adjusted except as noted										
Industrial production, total <sup>2</sup> (1967=100) . . . . .	151.0	138.6	147.6	144.4	156.2	158.5	160.0	160.8	162.5	163.2
Manufacturing (1967=100) . . . . .	150.4	137.6	148.2	145.1	156.8	159.5	161.4	162.1	164.1	164.7
Durable (1967=100) . . . . .	140.5	124.7	134.5	131.0	145.0	148.6	150.5	151.2	153.2	154.0
Nondurable (1967=100) . . . . .	164.8	156.2	168.1	165.4	173.9	175.2	177.2	177.8	179.9	180.2
Leading economic indicators <sup>1,3</sup> (1967=100) . . . . .	140.9	136.8	156.2	154.4	163.8	164.7	167.0	167.4	168.3	168.2
Employment <sup>4</sup> (mil. persons) . . . . .	100.4	99.5	100.8	99.8	102.9	103.2	103.9	104.1	104.4	105.3
Unemployment rate <sup>4</sup> (%) . . . . .	7.5	9.5	9.5	9.9	8.2	7.9	7.7	7.7	7.7	7.4
Personal income <sup>1</sup> (\$ bil. annual rate) . . . . .	2,435.0	2,578.6	2,742.1	2,719.3	2,859.6	2,906.8	2,928.0	2,943.7	2,961.0	2,978.8
Hourly earnings in manufacturing <sup>4,5</sup> (\$) . . . . .	7.99	8.50	8.84	8.77	9.06	9.09	9.08	9.09	9.11	9.12
Money stock-M1 (daily avg.) (\$bil.) <sup>2</sup> . . . . .	\$440.6	\$478.2	\$525.3	506.6	525.3	530.0	532.9	535.2	535.4	541.1
Money stock-M2 (daily avg.) (\$bil.) <sup>2</sup> . . . . .	\$1,794.9	\$1,959.5	\$2,196.1	2,102.2	2,196.2	2,206.8	2,222.5	2,229.9	2,242.2	2,259.6
Three-month Treasury bill rate <sup>2</sup> (%) . . . . .	14.029	10.686	8.63	8.19	8.96	8.93	9.03	9.44	9.69	9.90
Asa corporate bond yield (Moody's) <sup>6,7</sup> (%) . . . . .	14.17	13.79	12.04	11.46	12.57	12.20	12.08	12.57	12.81	13.28
Interest rate on new home mortgages <sup>8,9</sup> (%) . . . . .	14.70	15.14	12.57	12.67	12.42	12.29	12.23	12.02	12.04	12.17
Housing starts, private (incl. farm) (thou.) . . . . .	1,084	1,062	1,703	1,779	1,694	1,980	2,262	1,662	1,990	1,782
Auto sales at retail, total <sup>1</sup> (mil.) . . . . .	8.5	8.0	9.2	9.1	10.5	11.2	10.6	10.0	10.1	11.1
Business sales, total <sup>1</sup> (\$ bil.) . . . . .	355.8	343.5	367.1	380.5	395.7	401.1	398.8	401.9	404.6p	—
Business inventories, total <sup>1</sup> (\$ bil.) . . . . .	523.6	505.5	514.3	501.0	514.3	518.1	527.2	532.8	540.9p	—
Sales of all retail stores (\$ bil.) <sup>9</sup> . . . . .	87.0	89.5	97.8	97.2	102.4	106.8	105.5	103.9	107.1p	107.3
Durable goods stores (\$ bil.) . . . . .	26.3	27.0	32.1	31.7	35.5	37.1	36.9	35.3	37.3p	37.4
Nondurable goods stores (\$ bil.) . . . . .	60.7	62.5	65.7	65.5	66.9	69.5	68.6	68.6	69.8p	69.9
Food stores (\$ bil.) . . . . .	19.9	20.8	21.6	21.8	21.8	22.5	22.3	22.4	22.8p	22.7
Eating and drinking places (\$ bil.) . . . . .	8.2	8.6	9.6	9.5	9.7	10.3	10.3	10.2	10.2p	10.2
Apparel and accessory stores (\$ bil.) . . . . .	4.2	4.3	4.5	4.6	4.7	4.7	4.7	4.8	5.0p	5.1

<sup>1</sup> Department of Commerce. <sup>2</sup> Board of Governors of the Federal Reserve System. <sup>3</sup> Composite index of 12 leading indicators. <sup>4</sup> Department of Labor, Bureau of Labor Statistics. <sup>5</sup> Not seasonally adjusted. <sup>6</sup> December of the year listed. <sup>7</sup> Moody's Investors Service. <sup>8</sup> Federal Home Loan Bank Board. <sup>9</sup> Adjusted for seasonal variations, holidays, and trading day differences. p = preliminary. r = revised.

U.S. Agricultural Trade

Prices of principal U.S. agricultural trade products

	Annual			1983		1984				
	1981	1982	1983	May	Dec	Jan	Feb	Mar	Apr	May p
Export commodities										
Wheat, f.o.b. vessel, Gulf ports (\$/bu.) . . . . .	4.80	4.38	4.30	4.43	4.17	4.17	4.10	4.22	4.30	4.19
Corn, f.o.b. vessel, Gulf ports (\$/bu.) . . . . .	3.40	2.80	3.49	3.42	3.67	3.67	3.50	3.78	3.81	3.73
Grain sorghum, f.o.b. vessel, Gulf ports (\$/bu.) . . . . .	3.28	2.81	3.34	3.47	3.33	3.30	3.22	3.40	3.00	3.39
Soybeans, f.o.b. vessel, Gulf ports (\$/bu.) . . . . .	7.40	6.36	7.31	6.49	8.26	7.94	7.64	8.26	8.25	8.81
Soybean oil, Decatur (cts./lb.) . . . . .	21.07	18.33	23.51	19.80	27.37	28.26	27.23	30.11	32.06	38.66
Soybean meal, Decatur (\$/ton) . . . . .	218.65	179.70	200.91	183.90	218.01	201.23	185.56	196.06	188.41	188.45
Cotton, 10 market avg. spot (cts./lb.) . . . . .	71.93	60.10	68.68	66.91	73.04	70.55	71.39	74.89	75.64	79.44
Tobacco, avg. price of auction (cts./lb.) . . . . .	156.48	172.20	173.96	175.49	168.48	168.94	167.58	166.52	166.06	174.69
Rice, f.o.b. mill, Houston (\$/cwt.) . . . . .	25.63	18.89	19.39	19.00	20.00	20.25	20.25	20.25	20.10	19.50
Inedible tallow, Chicago (cts./lb.) . . . . .	15.27	12.85	13.41	13.75	15.13	16.00	16.00	16.75	17.00	19.13
Import commodities										
Coffee, N.Y. spot (\$/lb.) . . . . .	1.27	1.41	1.33	1.28	1.52	1.50	1.51	1.51	1.48	1.48
Sugar, N.Y. spot (cts./lb.) . . . . .	19.73	19.86	22.04	22.60	21.47	21.51	21.90	22.00	22.03	22.00
Rubber, N.Y. spot (cts./lb.) . . . . .	56.79	45.48	56.19	56.78	58.08	57.64	58.19	57.77	56.44	51.16
Cocoa beans, N.Y. (\$/lb.) . . . . .	.90	.75	.92	.90	1.12	1.15	1.11	1.43	1.13	1.19
Bananas, f.o.b. port of entry (\$/40-lb. box) . . . . .	7.28	6.80	7.93	10.06	n.a.	6.20	7.56	7.51	7.52	7.73

p = preliminary. n.a. = not available.

# U.S. agricultural exports by regions

Region and country	October-April		April		Change from year earlier	
	1982/83	1983/84	1983	1984	October-April	April
	\$ Mil.				Percent	
<b>Western Europe</b> . . . . .	6,716	6,763	796	700	1	-12
European Community . . . . .	5,023	4,826	601	531	-4	-12
Belgium-Luxembourg . . . . .	524	587	42	39	12	-7
France . . . . .	381	363	47	36	-5	-23
Germany, Fed. Rep. . . . .	917	1,016	144	92	11	-36
Italy . . . . .	551	545	84	74	-1	-12
Netherlands . . . . .	1,914	1,629	207	224	-15	8
United Kingdom . . . . .	493	509	45	51	3	13
Other Western Europe . . . . .	1,693	1,937	194	169	14	-13
Portugal . . . . .	380	505	56	46	33	-18
Spain . . . . .	851	968	107	80	14	-25
Switzerland . . . . .	231	245	14	23	6	64
<b>Eastern Europe</b> . . . . .	477	438	114	43	-8	-62
German Dem. Rep. . . . .	100	91	25	(1)	-9	-100
Poland . . . . .	136	127	13	14	-7	8
<b>USSR</b> . . . . .	937	1,617	180	327	73	82
<b>Asia</b> . . . . .	8,140	9,385	1,107	1,287	15	16
West Asia (Mideast). . . . .	845	1,057	108	141	25	31
Turkey . . . . .	10	105	3	20	950	567
Iraq . . . . .	140	195	19	40	39	111
Israel . . . . .	176	230	13	30	31	131
Saudi Arabia . . . . .	280	293	37	32	5	-14
South Asia . . . . .	773	579	107	61	-26	-43
India . . . . .	589	323	97	9	-45	-91
Pakistan . . . . .	67	127	2	20	90	900
East and Southeast Asia . . . . .	6,523	7,748	892	1,085	19	22
China . . . . .	508	406	30	35	-20	17
Taiwan . . . . .	724	898	119	120	24	1
Japan . . . . .	3,448	4,345	482	612	26	27
Korea, Rep. . . . .	944	1,139	166	172	21	4
Hong Kong . . . . .	203	243	29	29	20	0
Indonesia . . . . .	227	252	15	42	11	180
Philippines . . . . .	213	130	22	27	-39	23
<b>Africa</b> . . . . .	1,162	1,565	213	253	35	19
North Africa . . . . .	742	771	138	121	4	-12
Morocco . . . . .	132	154	14	29	17	107
Algeria . . . . .	82	94	27	0	15	-100
Egypt . . . . .	501	469	91	91	-6	0
Other Africa . . . . .	420	794	75	133	89	77
Nigeria . . . . .	178	211	21	23	19	10
Rep. S. Africa . . . . .	59	363	10	68	515	580
<b>Latin America and Caribbean</b> . . . . .	2,512	3,086	401	387	23	-3
Brazil . . . . .	221	259	34	15	17	-56
Caribbean Islands . . . . .	447	472	61	60	6	-2
Colombia . . . . .	157	138	26	19	-12	-27
Mexico . . . . .	875	1,196	161	180	37	12
Peru . . . . .	118	133	37	10	13	-73
Venezuela . . . . .	320	454	23	48	42	109
<b>Canada</b> . . . . .	1,043	1,078	154	170	3	10
<b>Oceania</b> . . . . .	134	134	17	14	0	-18
<b>Total</b> <sup>1</sup> . . . . .	21,120	24,065	2,981	3,181	14	7

<sup>1</sup> Less than \$500,000. <sup>2</sup> Regions may not add to totals due to rounding.



# U.S. agricultural imports

	October-April				April			
	1982/83	1983/84	1982/83	1983/84	1983	1984	1983	1984
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Animals, live (no.)	868	1,098	332,976	376,570	101	179	41,513	45,451
Meats and preps., excl. poultry (mt)	528	504	1,186,467	1,085,330	81	90	178,624	189,632
Beef and veal (mt)	368	319	751,278	679,473	57	53	118,955	113,188
Pork (mt)	147	169	401,091	368,052	22	34	55,425	70,135
Dairy products (mt)	177	203	440,615	444,026	24	31	44,332	62,580
Poultry and products	—	—	46,227	74,163	—	—	7,241	11,136
Fats, oils, and greases (mt)	5	10	3,146	6,013	1	3	656	1,895
Hides and skins, incl. furskins	—	—	127,195	135,194	—	—	29,341	20,277
Wool, unmanufactured (mt)	20	36	69,420	120,400	4	5	14,166	16,462
Grains and feeds (mt)	849	990	254,046	310,094	118	144	45,500	42,723
Fruits, nuts, and preparations	—	—	1,064,929	1,264,998	—	—	172,851	253,324
Bananas and plantains (mt)	1,508	1,682	342,681	410,101	184	294	44,339	69,384
Vegetables and preparations (mt)	1,111	1,496	701,651	859,106	195	258	150,694	146,609
Tobacco, unmanufactured (mt)	108	113	318,378	335,750	20	13	62,415	39,896
Cotton, unmanufactured (mt)	6	18	4,422	8,353	1	2	462	730
Seeds (mt)	73	65	68,656	65,374	13	14	13,443	9,921
Nursery stock and cut flowers	—	—	135,105	171,516	—	—	24,806	31,516
Sugar, cane or beet (mt)	1,433	1,916	542,979	767,279	216	271	67,238	110,183
Oilseeds and products (mt)	592	756	273,497	473,779	76	74	36,744	54,421
Oilseeds (mt)	108	156	46,304	64,176	13	20	6,264	8,415
Protein meal (mt)	53	79	8,526	14,564	7	9	1,231	1,600
Vegetable oils (mt)	431	521	218,666	395,039	56	45	29,260	44,406
Beverages excl. fruit juices (hl)	6,865	7,532	759,390	856,283	930	1,172	102,839	129,191
Coffee, tea, cacao, spices, etc. (mt)	1,092	1,027	2,504,774	2,884,120	151	174	334,280	477,200
Coffee, incl. products (mt)	650	658	1,732,513	1,891,975	79	118	207,061	348,245
Cocoa beans and products (mt)	331	250	569,542	551,762	58	39	100,445	91,836
Rubber and allied gums (mt)	394	493	323,503	520,044	63	71	53,270	73,313
Other	—	—	394,997	479,946	—	—	58,277	75,189
<b>Total</b>	—	—	9,552,373	11,038,338	—	—	1,458,692	1,791,649

## Trade balance

	October-April		April	
	1982/83	1983/84	1983	1984
	\$ Mil.			
<b>Exports</b>				
Agricultural	21,120	24,065	2,981	3,181
Nonagricultural	92,667	95,960	13,380	14,152
Total <sup>1</sup>	113,787	120,025	16,361	17,333
<b>Imports</b>				
Agricultural	9,552	11,038	1,459	1,792
Nonagricultural	126,543	165,051	18,254	25,991
Total <sup>2</sup>	136,095	176,089	19,713	27,783
<b>Trade balance</b>				
Agricultural	11,568	13,027	1,522	1,389
Nonagricultural	-33,876	-69,091	-4,874	-11,839
Total	-22,308	-56,064	-3,352	-10,450

<sup>1</sup> Domestic exports including Department of Defense shipments (F.A.S. value). <sup>2</sup> Imports for consumption (customs value).

# U.S. agricultural exports

	October-April				April			
	1982/83	1983/84	1982/83	1983/84	1983	1984	1983	1984
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Animals, live (no.)	428	431	118,821	133,637	50	77	9,946	9,821
Meats and preps., excl. poultry (mt)	247	254	565,876	559,033	39	33	93,614	76,917
Dairy products (mt)	184	227	197,811	212,922	35	31	37,351	26,098
Poultry meats (mt)	152	126	166,595	162,507	21	16	22,327	19,836
Fats, oils, and greases (mt)	882	850	356,504	402,617	137	94	54,103	50,274
Hides and skins incl. furskins	—	—	634,836	785,083	—	—	73,629	123,362
Cattle hides, whole (no.)	13,619	14,098	417,096	566,036	1,523	2,098	47,672	89,620
Mink pelts (no.)	1,825	1,840	48,478	50,010	224	306	6,058	8,459
Grains and feeds (mt)	62,172	64,281	8,786,567	10,351,363	8,415	8,587	1,282,010	1,397,098
Wheat and wheat flour (mt)	22,874	22,193	3,735,044	3,578,126	3,270	2,789	543,883	437,823
Rice (mt)	1,126	1,248	446,072	512,436	208	207	71,424	86,364
Feed grains, excl. products (mt)	33,558	35,919	3,739,390	5,301,032	4,125	4,919	517,318	742,813
Feeds and fodders (mt)	4,139	4,350	689,200	766,345	755	612	122,179	104,413
Other grain products (mt)	475	551	176,861	193,424	57	60	27,406	25,685
Fruits, nuts, and preparations (mt)	1,271	1,189	1,123,218	1,049,334	211	159	159,496	132,876
Vegetables and preparations (mt)	943	933	610,078	622,981	143	133	89,924	87,941
Tobacco, unmanufactured (mt)	170	166	1,029,345	1,054,011	20	15	114,818	98,007
Cotton, excl. linters (mt)	676	994	978,087	1,575,584	139	166	207,262	267,319
Seeds (mt)	167	171	224,080	227,121	27	41	31,664	28,245
Sugar, cane or beet (mt)	24	189	6,705	49,819	1	30	440	7,847
Oilseeds and products (mt)	23,130	19,681	5,618,090	6,149,722	2,717	2,414	699,383	762,900
Oilseeds (mt)	17,482	14,899	4,076,852	4,530,145	2,082	1,917	495,650	583,614
Soybeans (mt)	16,579	14,116	3,807,889	4,196,949	1,994	1,865	471,692	558,469
Protein meal (mt)	4,674	3,886	1,016,699	957,970	434	378	97,110	90,408
Vegetable oils (mt)	973	896	524,539	661,607	198	119	101,496	88,878
Essential oils (mt)	6	6	49,642	61,623	2	1	8,998	7,793
Other	—	—	653,967	668,123	—	—	96,300	84,657
Total	—	—	21,120,222	24,065,480	—	—	2,981,065	3,180,991

## Indexes of nominal and real trade-weighted dollar exchange rates

	1983							1984				
	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May*
April 1971=100												
<b>Total agriculture</b>												
Nominal <sup>1</sup>	329.2	354.4	384.1	403.2	429.8	454.4	478.4	505.7	538.8	580.4	619.3	662.1
Real <sup>2</sup>	92.0	94.2	96.5	95.7	94.2	95.6	*96.7	*97.1	*95.2	*93.8	*94.7	*96.9
<b>Soybeans</b>												
Nominal	143.7	145.8	149.1	149.3	148.8	152.3	155.3	157.5	155.1	152.9	155.6	162.8
Real	87.4	89.6	91.6	91.1	89.2	91.2	*92.7	*93.5	*90.8	*88.5	*89.2	*92.0
<b>Wheat</b>												
Nominal	1,157.7	1,290.1	1,443.6	1,553.3	1,713.1	1,843.4	1,972.7	2,126.0	2,332.2	2,588.1	2,802.4	3,017.5
Real	101.7	100.7	102.9	101.3	100.6	101.3	*101.3	*101.2	*100.4	*100.0	*101.0	*101.7
<b>Corn</b>												
Nominal	333.0	354.5	382.1	400.4	424.5	448.3	471.1	497.1	526.2	563.2	599.2	641.2
Real	90.1	93.3	95.2	94.7	93.0	94.8	*96.0	*96.7	*94.2	*92.1	*92.6	*95.1
<b>Cotton</b>												
Nominal	155.9	157.0	158.9	159.9	163.4	180.2	181.4	182.5	181.4	179.8	180.7	182.5
Real	89.6	90.3	91.2	91.0	91.1	93.9	*94.3	*94.0	*93.0	*92.3	*92.7	*93.9

<sup>1</sup> Nominal values are percentage changes in currency units per dollar, weighted by proportion of agricultural exports from the United States. An increase indicates that the dollar has appreciated. <sup>2</sup> Real values are computed in the same way as the nominal series, adjusted for CPI changes in the countries involved.

\*Preliminary; assumes the same rate of CPI increase/decrease as the previous month.

# World Agricultural Production

## World supply and utilization of major crops

	1978/79	1979/80	1980/81	1981/82	1982/83 p	1983/84 F	1984/85 F
	Mll. units						
<b>Wheat</b>							
Area (hectare) . . . . .	228.9	227.6	236.6	239.7	239.3	228.4	—
Production (metric ton) . . . . .	446.8	422.8	442.4	450.0	480.6	489.3	497.7
Exports (metric ton) <sup>1</sup> . . . . .	72.0	86.0	94.1	101.3	98.3	101.3	101.0
Consumption (metric ton) <sup>2</sup> . . . . .	430.2	443.5	442.6	445.5	469.0	483.0	498.0
Ending stocks (metric ton) <sup>3</sup> . . . . .	100.9	80.4	80.9	85.3	97.1	103.3	103.0
<b>Coarse grains</b>							
Area (hectare) . . . . .	342.8	341.1	342.3	348.4	333.6	331.8	—
Production (metric ton) . . . . .	753.6	741.5	730.5	770.6	785.2	689.6	796.1
Exports (metric ton) <sup>1</sup> . . . . .	90.2	98.8	108.8	98.7	91.5	92.2	95.6
Consumption (metric ton) <sup>2</sup> . . . . .	748.1	740.3	739.8	741.6	758.6	762.3	774.7
Ending stocks (metric ton) <sup>3</sup> . . . . .	91.2	91.6	83.7	112.8	139.4	66.7	88.1
<b>Rice, milled</b>							
Area (hectare) . . . . .	144.1	143.1	144.5	145.3	140.6	144.6	—
Production (metric ton) . . . . .	260.7	253.9	271.0	280.8	285.4	304.6	307.1
Exports (metric ton) <sup>1</sup> . . . . .	11.6	12.7	13.0	11.8	11.8	11.9	11.7
Consumption (metric ton) <sup>2</sup> . . . . .	255.8	257.8	272.2	281.5	289.8	305.0	307.6
Ending stocks (metric ton) <sup>3</sup> . . . . .	27.7	23.4	22.1	21.2	16.8	16.4	15.8
<b>Total grains</b>							
Area (hectare) . . . . .	715.8	711.8	723.4	733.4	713.5	704.8	—
Production (metric ton) . . . . .	1,461.1	1,416.2	1,443.9	1,501.2	1,551.4	1,483.5	1,600.9
Exports (metric ton) <sup>1</sup> . . . . .	173.8	197.5	215.9	211.8	201.7	205.4	208.3
Consumption (metric ton) <sup>2</sup> . . . . .	1,434.1	1,441.9	1,454.6	1,468.6	1,517.4	1,550.3	1,580.3
Ending stocks (metric ton) <sup>3</sup> . . . . .	219.8	195.4	186.7	219.3	253.3	186.4	206.9
<b>Oilseeds and meals<sup>4</sup></b>							
Production (metric ton) . . . . .	82.1	89.8	87.5	92.5	96.5	88.6	98.0
Trade (metric ton) . . . . .	40.6	51.8	48.6	54.1	54.0	50.9	51.5
<b>Fats and oils<sup>5</sup></b>							
Production (metric ton) . . . . .	48.5	52.0	52.4	55.2	58.3	56.1	57.8
Trade (metric ton) . . . . .	19.3	20.7	19.7	21.2	21.3	20.3	21.9
<b>Cotton</b>							
Area (hectare) . . . . .	32.4	32.2	32.4	33.2	32.3	31.7	—
Production (bale) . . . . .	60.0	65.5	65.3	70.8	67.5	67.7	73.3
Exports (bale) . . . . .	19.8	22.7	19.7	20.2	18.5	18.9	19.0
Consumption (bale) . . . . .	62.4	65.3	65.8	65.5	67.9	68.5	70.5
Ending stocks (bale) . . . . .	22.1	23.0	24.1	28.7	26.4	25.4	28.0

F = Forecast. p = preliminary. <sup>1</sup>Excludes intra-EC trade. <sup>2</sup>Where stocks data not available (excluding USSR), consumption includes stock changes. <sup>3</sup>Stocks data are based on differing marketing years and do not represent levels at a given date. Data not available for all countries, includes estimated change in USSR grain stocks but not absolute level. <sup>4</sup>Soybean meal equivalent. <sup>5</sup>Calendar year data. 1979 data correspond with 1978/79, etc. Excludes safflower, sesame, and castor oil.



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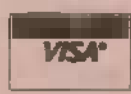
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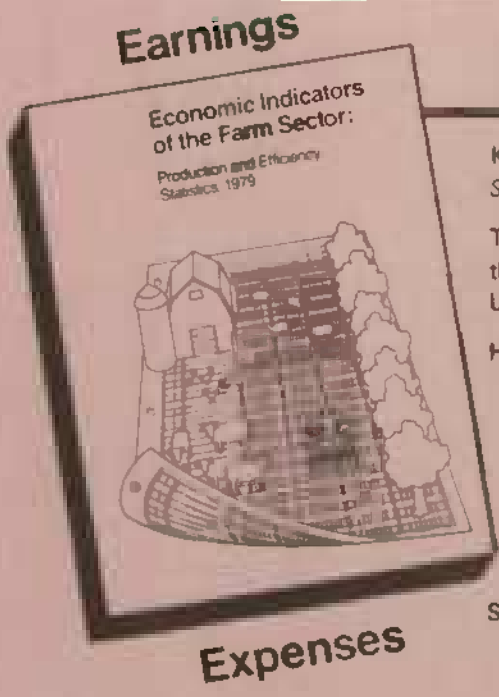


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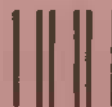
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